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JAMS

CENTURY PRODUCTS, LLC, a
California limited liability
company,

CLAIMANT,

vs.

CENTURY-BOARD USA, LLC, a New York
limited liability company; ECOMAT
NEVADA, INC., a Nevada corporation;
and WADE BROWN, an individual,

RESPONDENTS.

CENTURY-BOARD USA, LLC, a
New York limited liability
company,

Counter-Claimant,

vs.

CENTURY PRODUCTS, LLC, a California
limited liability company;
JOHN TAYLOR, an
individual; and Fyodor Shutov,
PhD., an individual,

Counter-Respondents.

ORIGINAL

Reference No.: 1220033832
VOLUME II

CONFIDENTIAL

C O N F I D E N T I A L

DEPOSITION OF WADE BROWN, VOLUME II

SAN DIEGO, CALIFORNIA

NOVEMBER 18, 2005

ATKINSON-BAKER, INC. COURT REPORTERS
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REPORTED BY: AMORITA A. LEDESMA, CSR NO. 12852

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) Reference No.: 1220033832
) VOLUME II

Deposition of Wade Brown taken on

behalf of Mr. Tremblay, at 450 B Street, Suite 2000,
San Diego, California commencing at 9:40 a.m., Friday,
November 18, 2005, before Amorita A. Ledesma, CSR No.
12852.

1 APPEARANCES:

2 FOR THE CLAIMANT AND COUNTER-RESPONDENTS:

3 TREMBLAY & SCHLUEDERBERG
4 BY DONALD P. TREMBLAY, ESQ.
450 B Street
Suite 2000
5 San Diego, California 92101
(619) 325-2560

6 LAW OFFICE OF ROBERT ROBINSON
7 BY ROBERT ROBINSON, ESQ.
4330 La Jolla Village Drive
8 Suite 330
La Jolla, California 92122
9 (858) 546-0810

10 FOR THE RESPONDENTS AND COUNTER-CLAIMANT:

11 JULANDER, BROWN, & BOLLARD
12 BY DIRK O. JULANDER, ESQ.
Jamboree Center @ Main Street
Two Park Plaza
13 Suite 450
Irvine, California 92614
14 (949) 477-2100

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I N D E X

WITNESS: WADE BROWN

EXAMINATION	PAGE
By Mr. Tremblay	5

EXHIBITS	CLAIMANT'S DESCRIPTION	PAGE
NUMBER	(NONE)	

LETTER	RESPONDENT'S DESCRIPTION	PAGE
	(NONE)	

QUESTIONS WITNESS INSTRUCTED NOT TO ANSWER:
(NONE)

INFORMATION TO BE SUPPLIED:
(NONE)

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WADE BROWN,
having been placed under oath, testified as follows:

EXAMINATION

BY MR. TREMBLAY:

Q. How are you doing, Mr. Brown?

A. Fine.

Q. Good. Once again, I'm still Don Tremblay,
you're still Mr. Brown, and we're going to proceed with
Part II of your deposition. Thank you for making
yourself available.

Is there any reason why we can't proceed with
your deposition today?

A. No.

Q. Okay. Thank you so much. There's coffee and
water available. Once again, it's not a race. It's not
a marathon. Whenever you want to take a break, you
understand that you can?

A. I do.

Q. Okay. Since yesterday, did you take a look at
any documents and bring anything with you so we could
ease into some of the testimony we left with yesterday?

A. Yes.

Q. Okay. Very good. And I think we were looking
at Exhibits 2 and 3 yesterday, and we had gotten to, I

1 believe, Exhibit 3. Am I correct? Is that correct?

2 The list?

3 A. Right.

4 Q. Okay. And you, as I understand it, had, prior
5 to the deposition of yesterday, gone over the list and
6 you had marked those items in highlighting which
7 indicated what?

8 A. That they were not part of the patents and are
9 still considered trade secrets.

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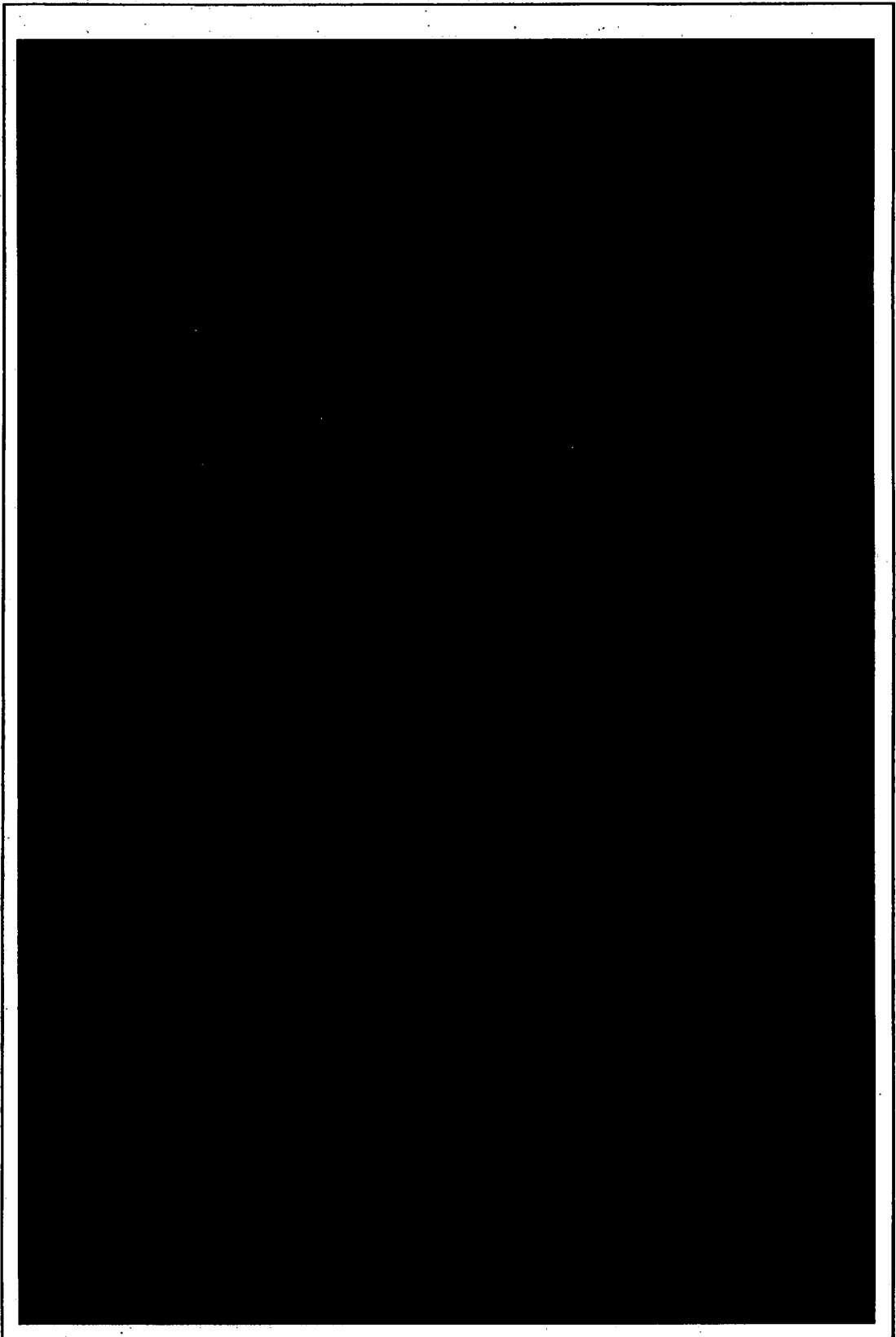
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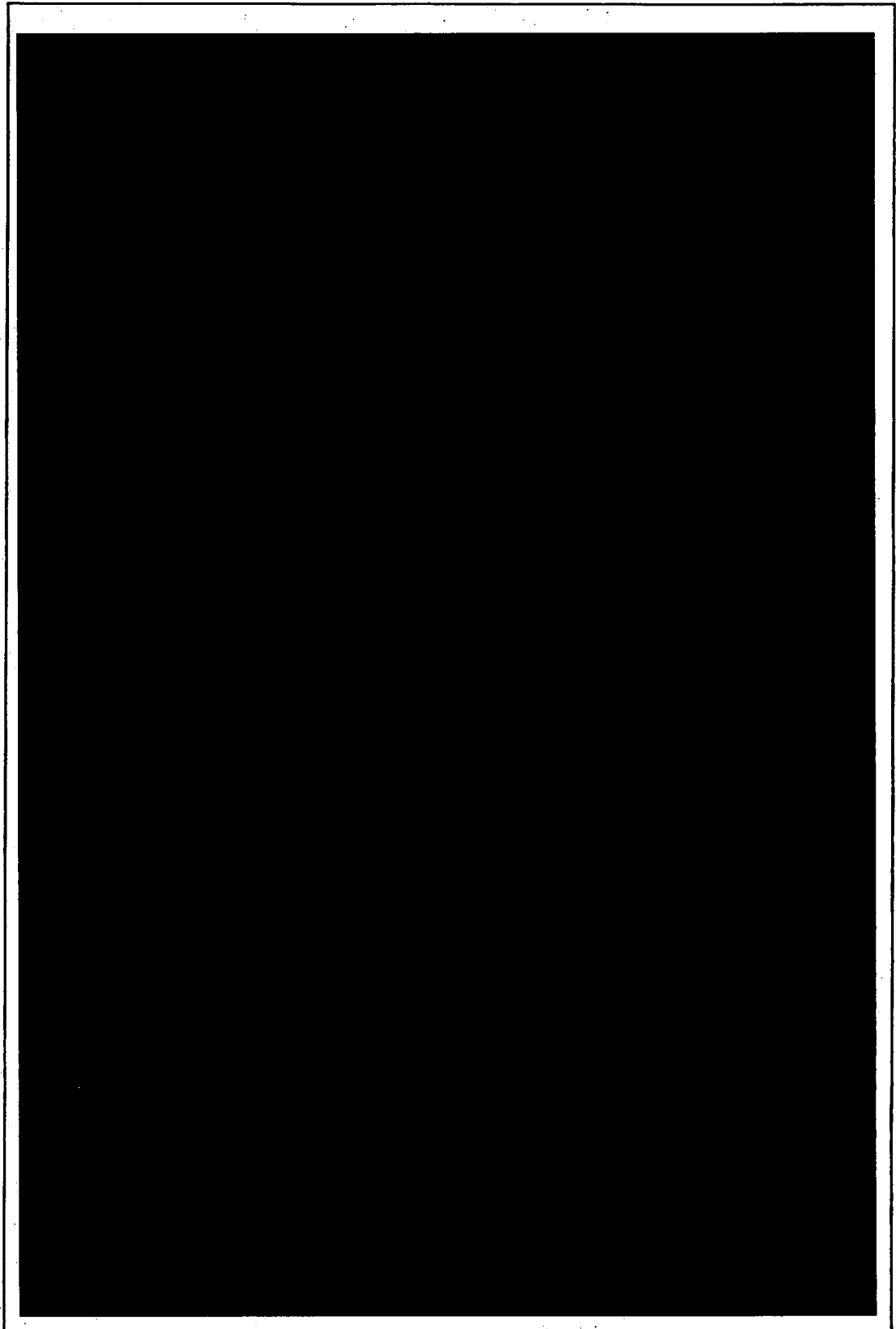
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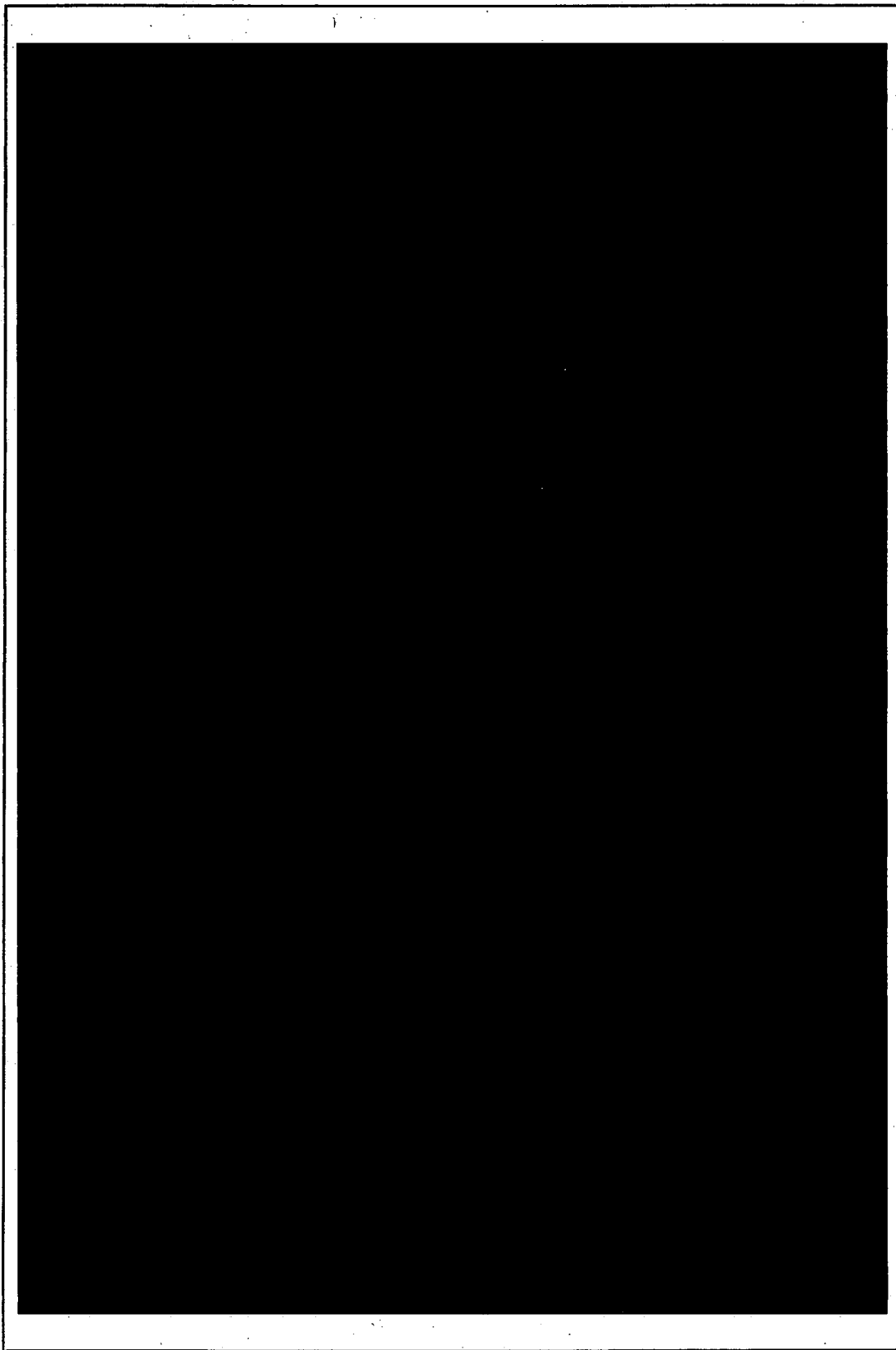
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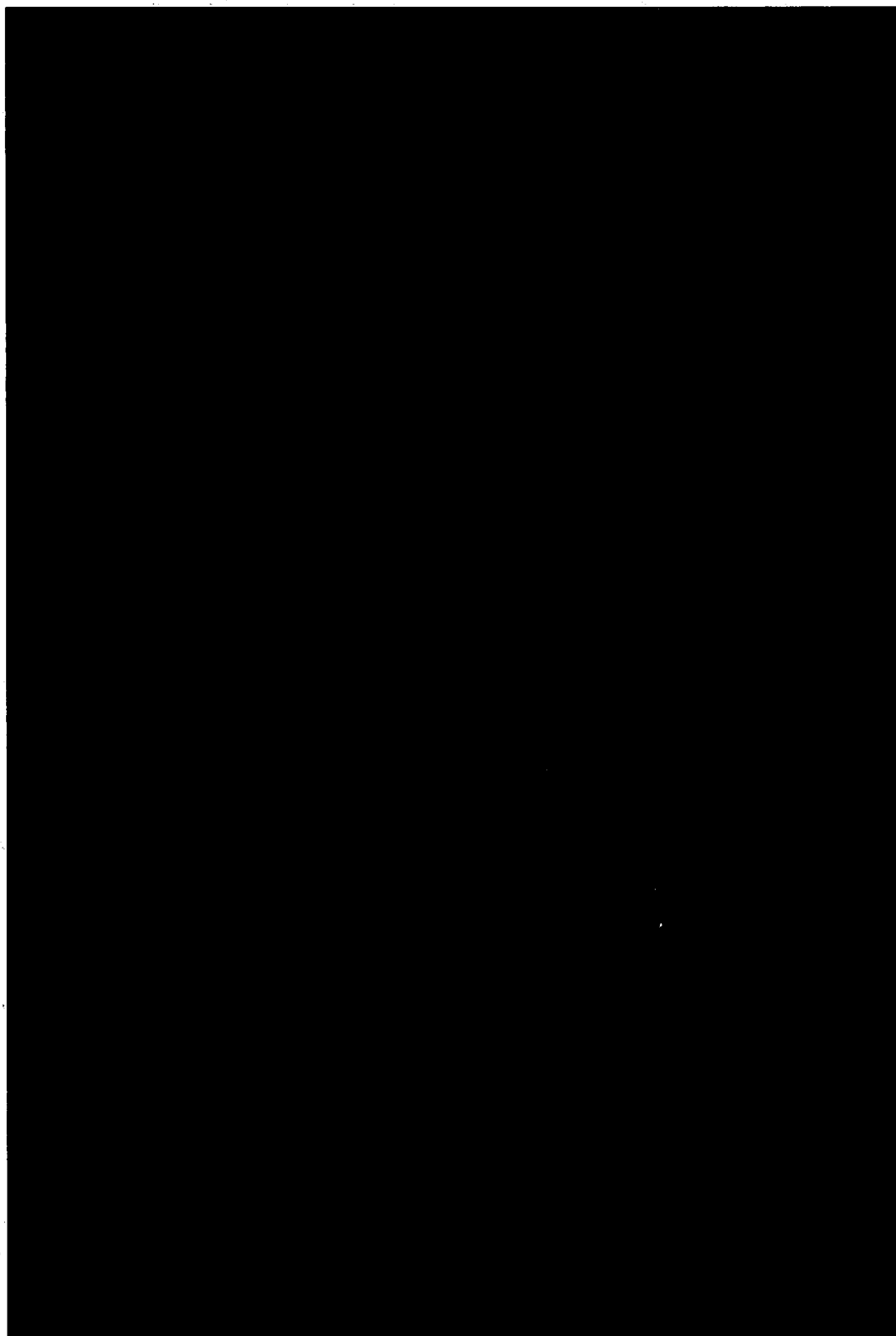
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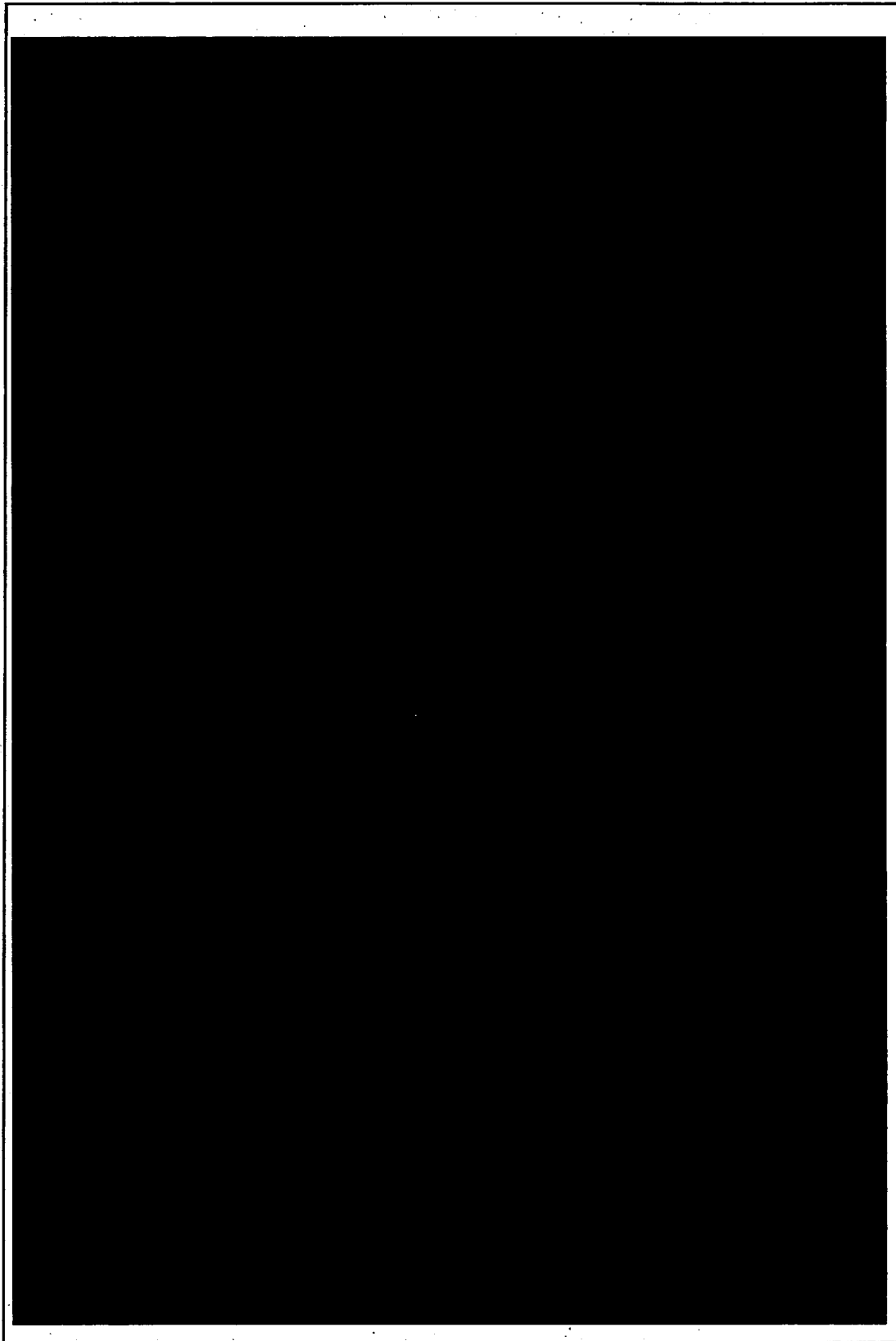
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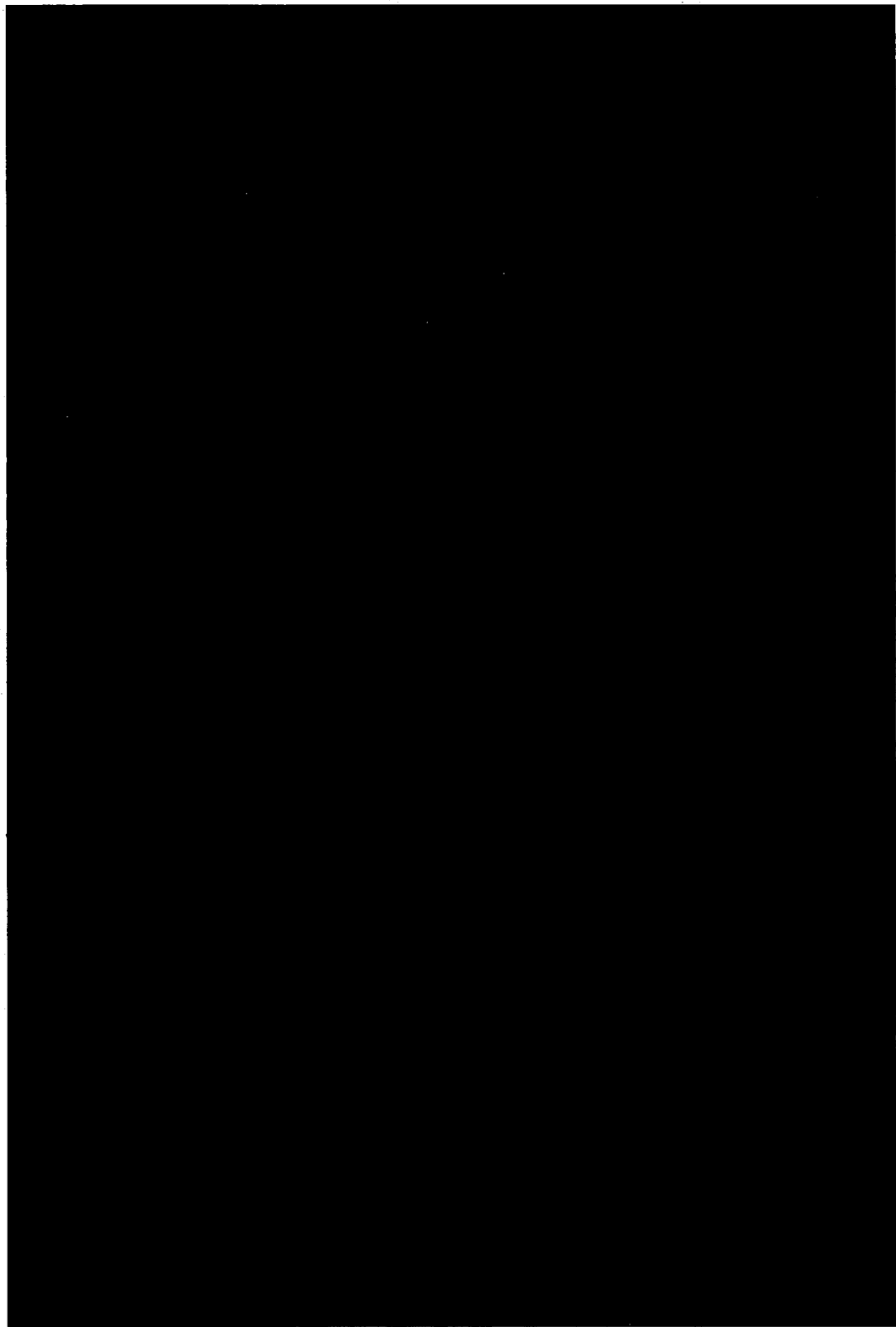
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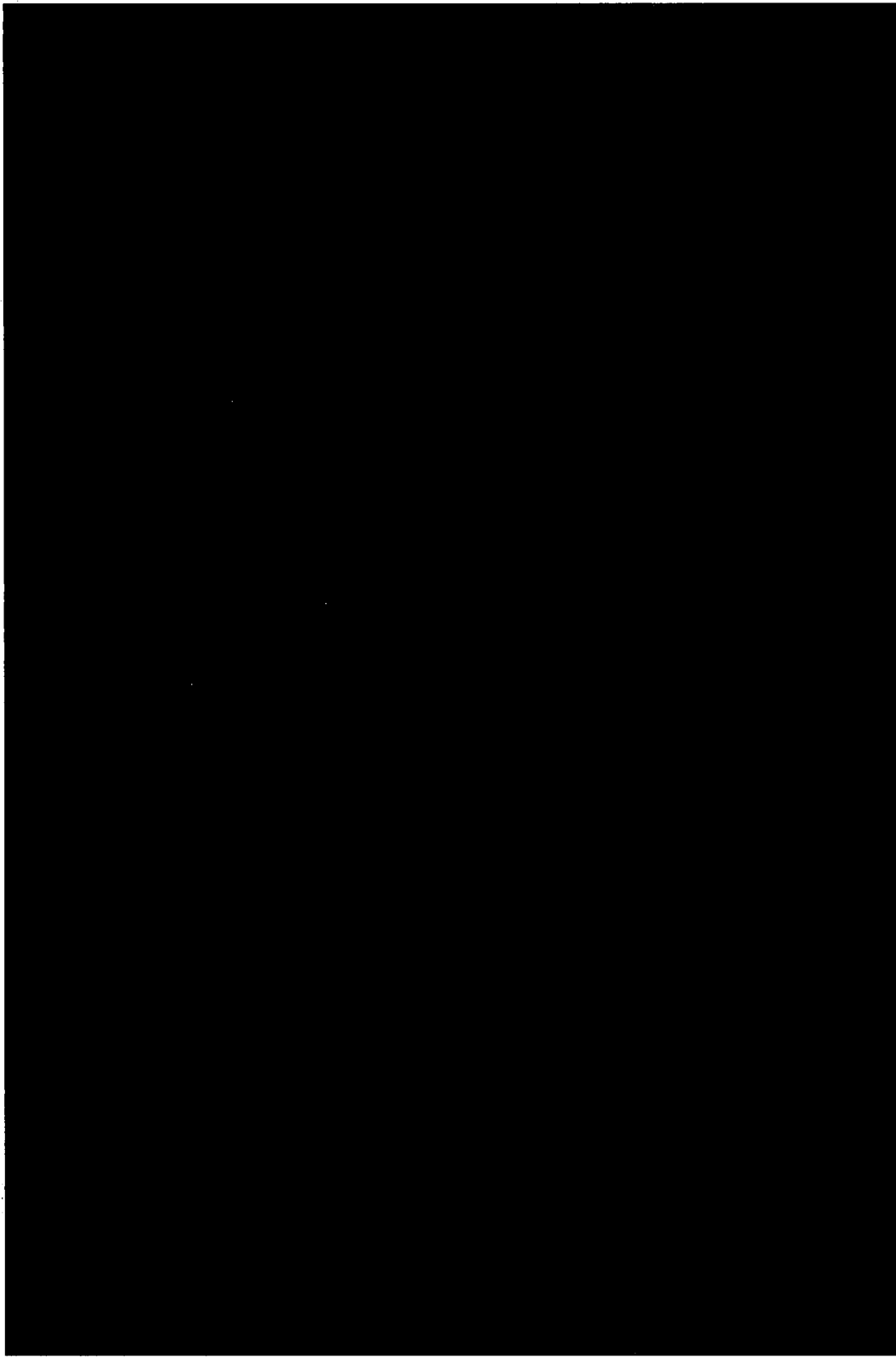
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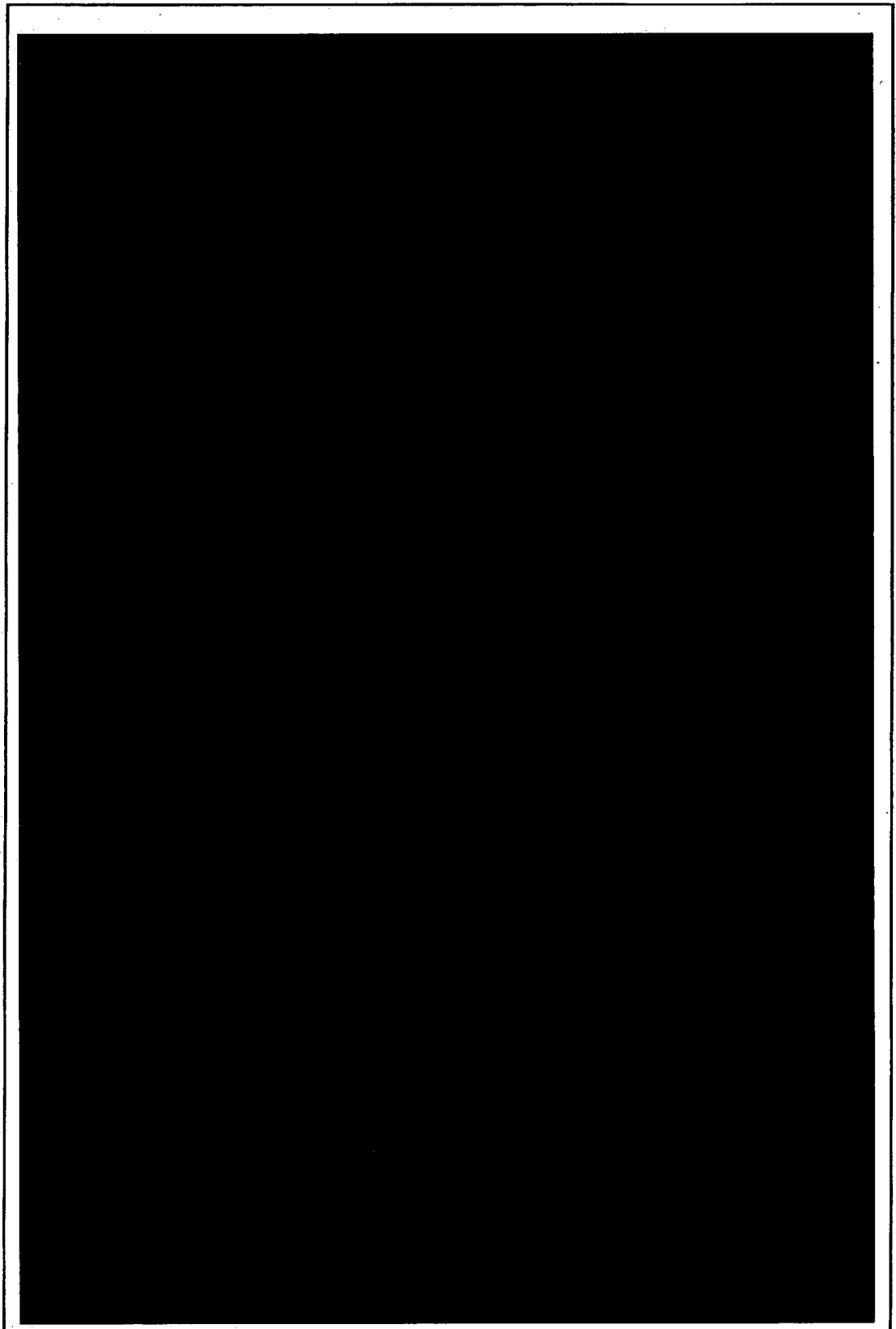
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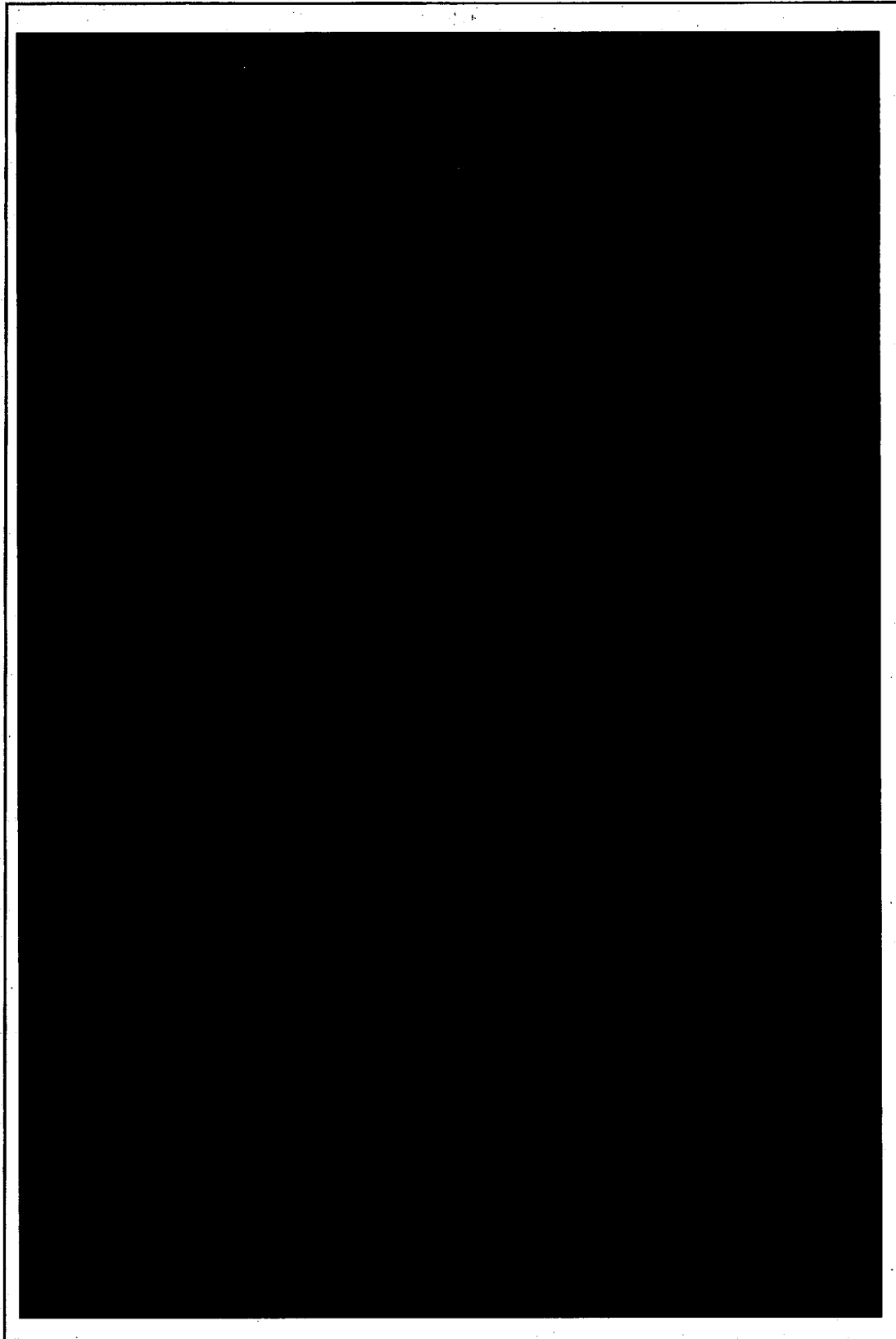
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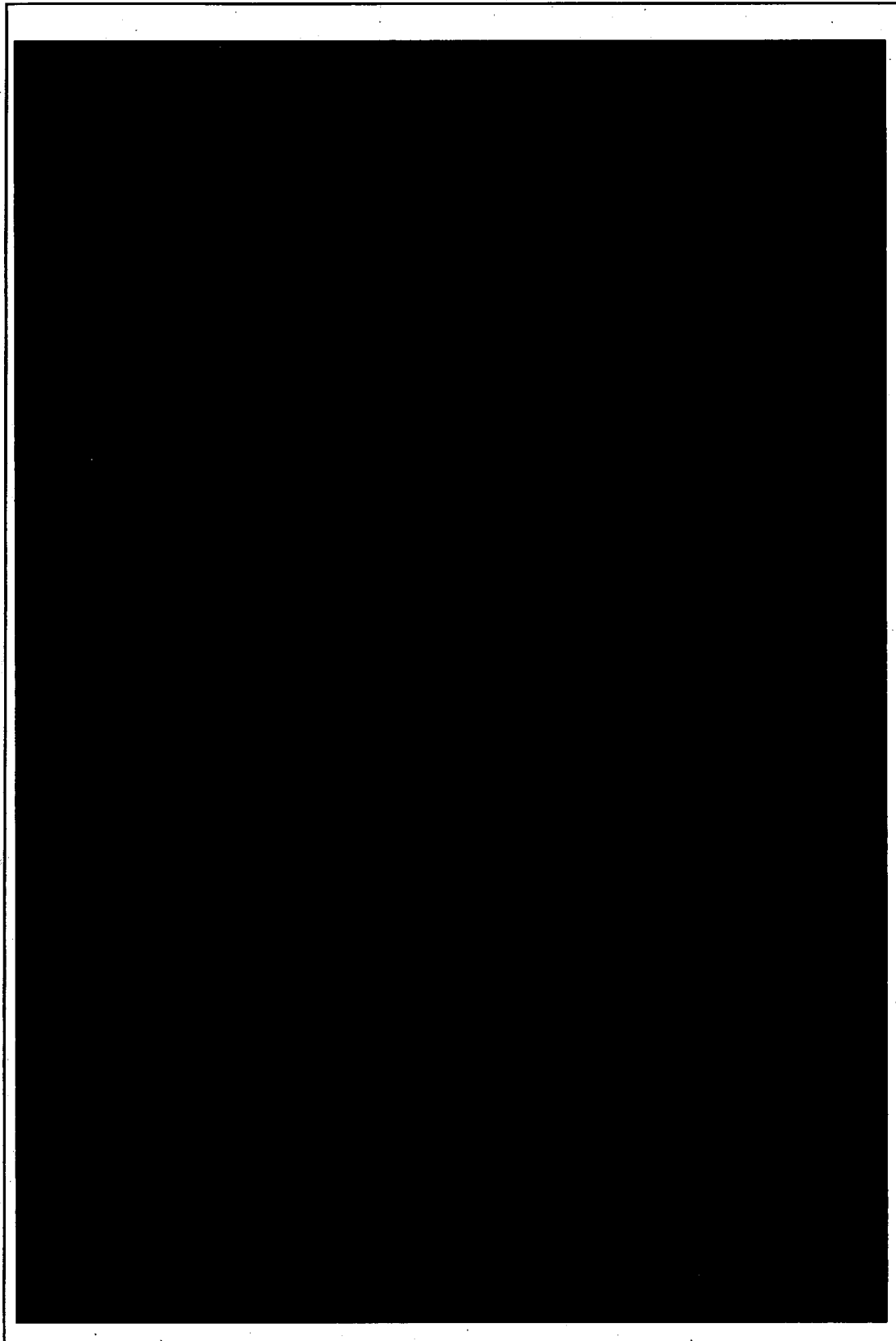
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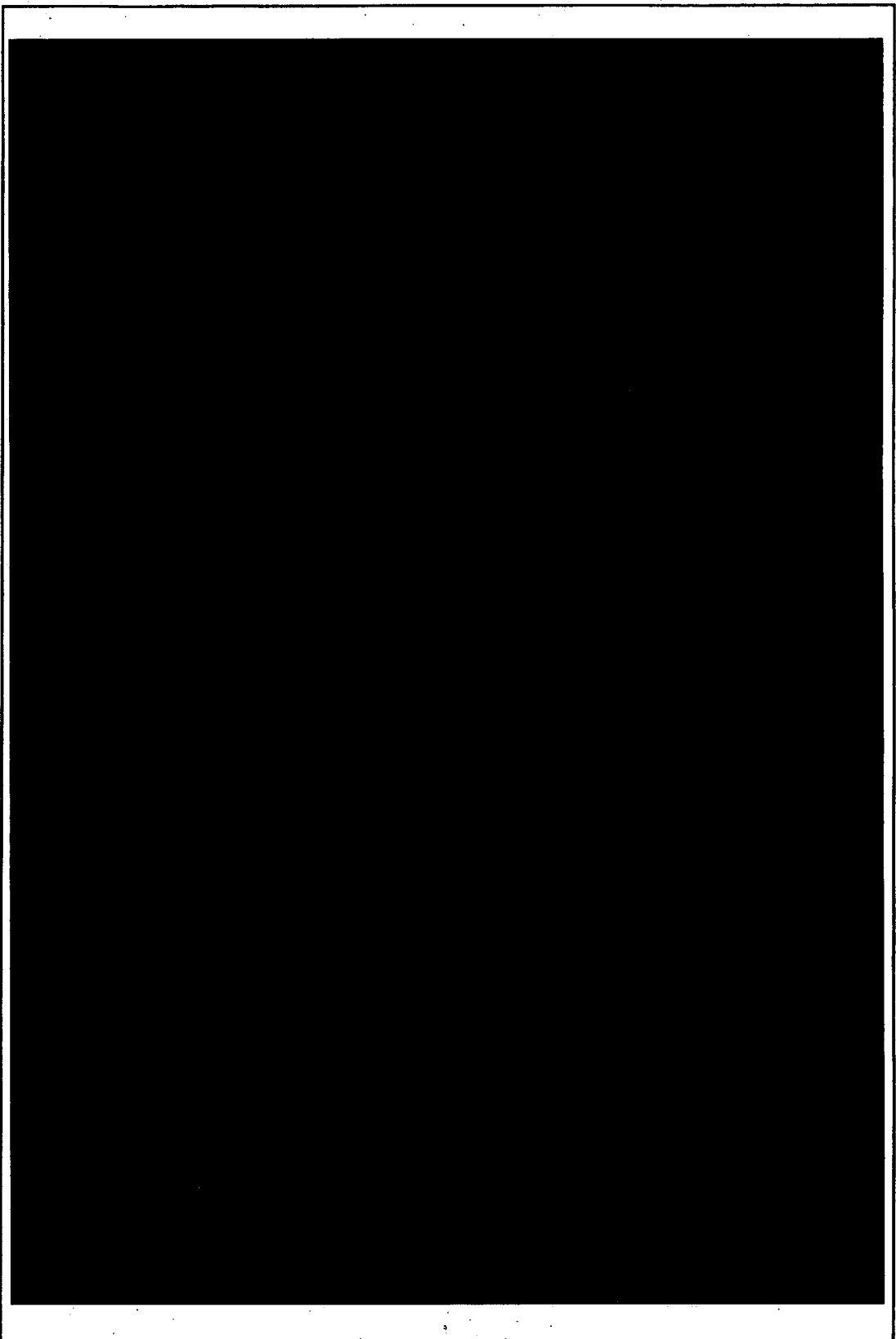
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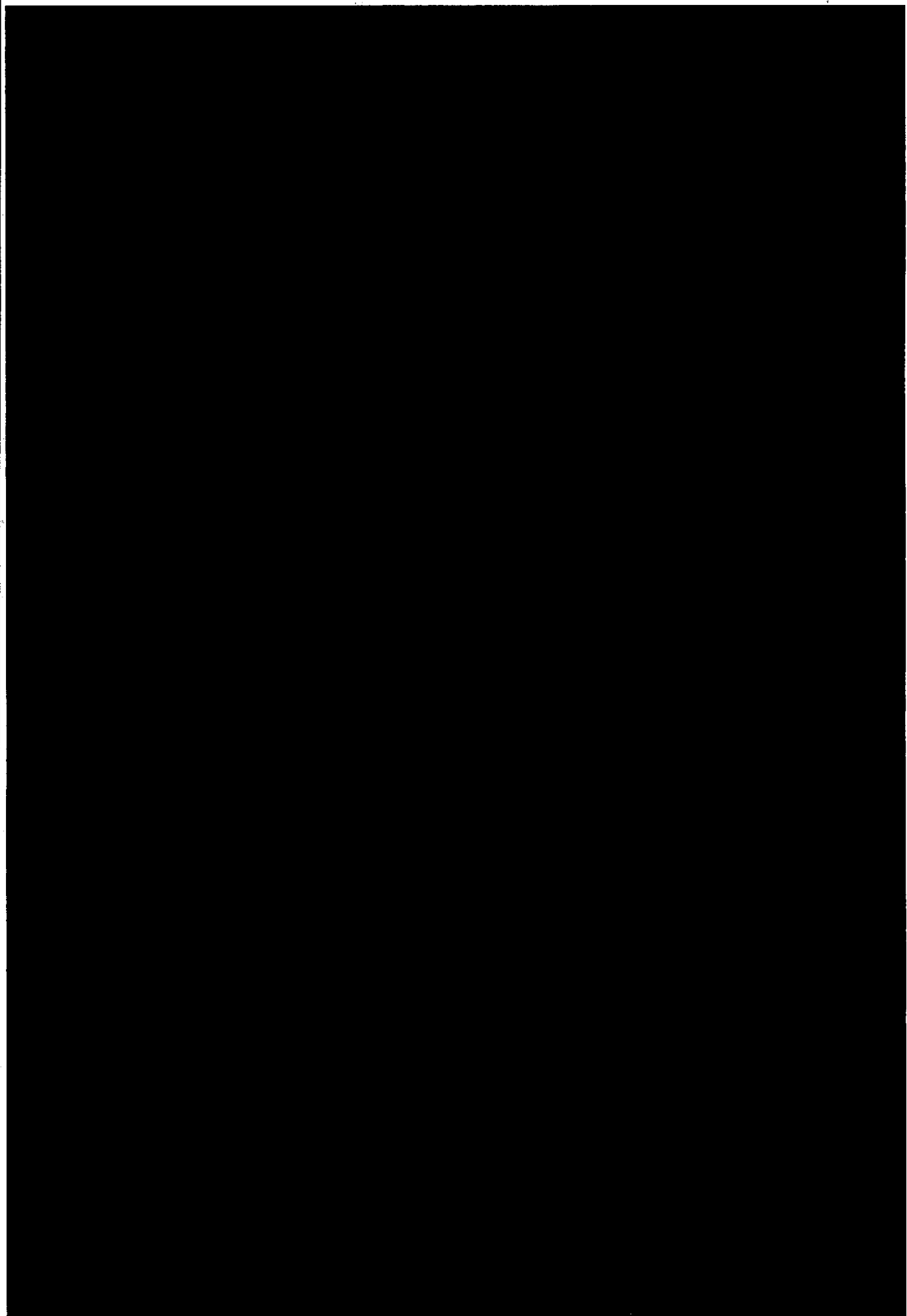
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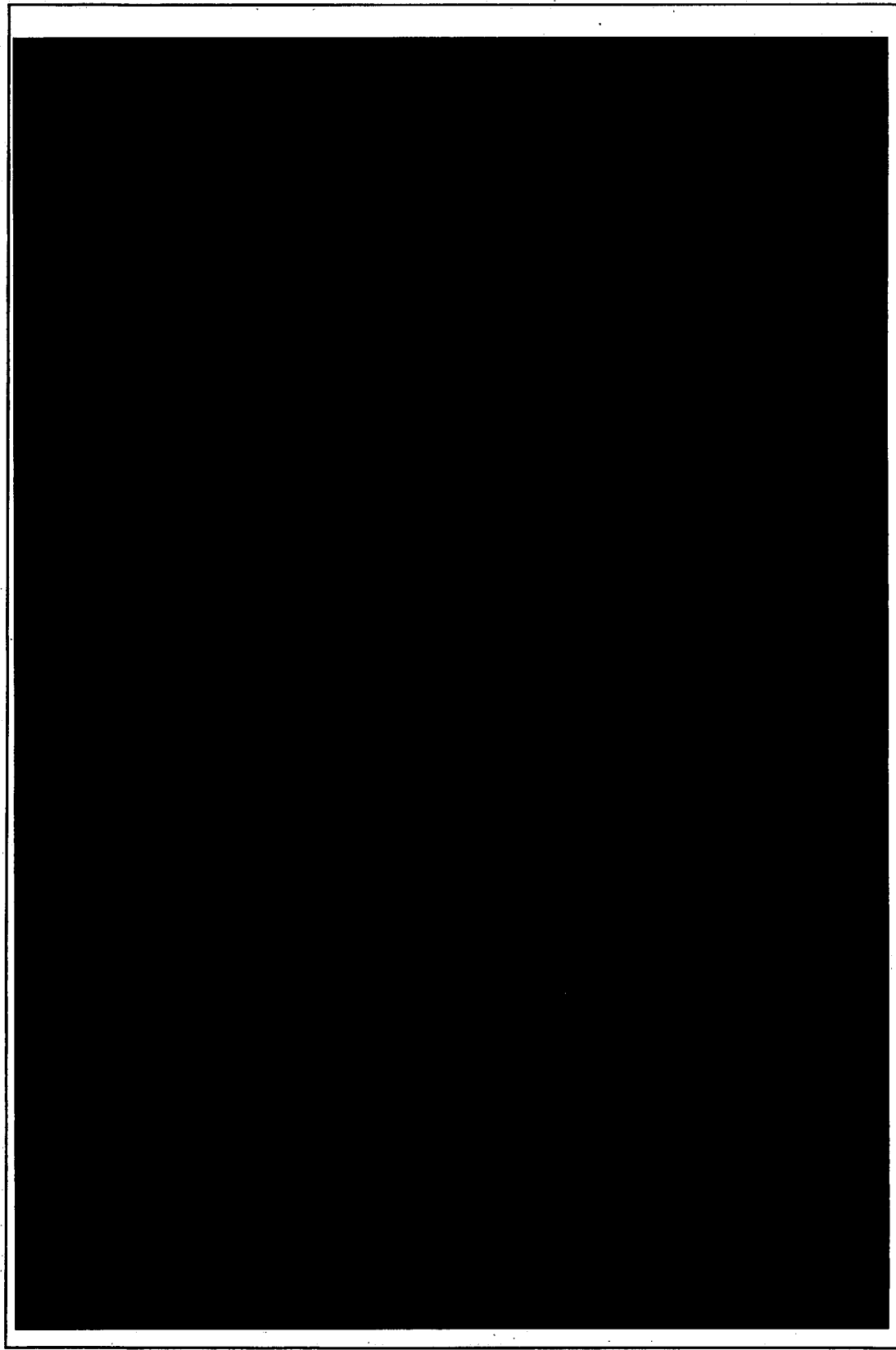
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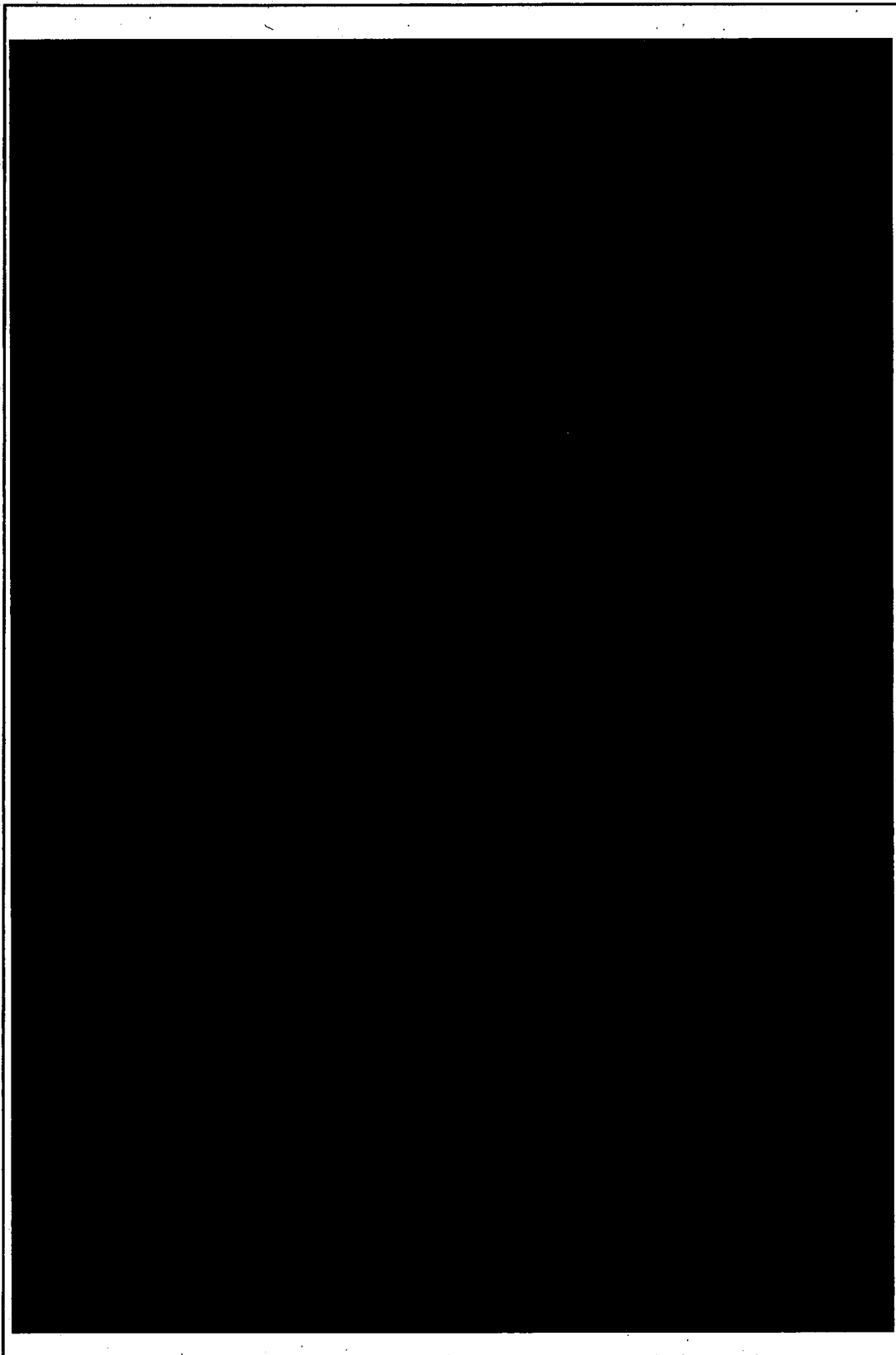
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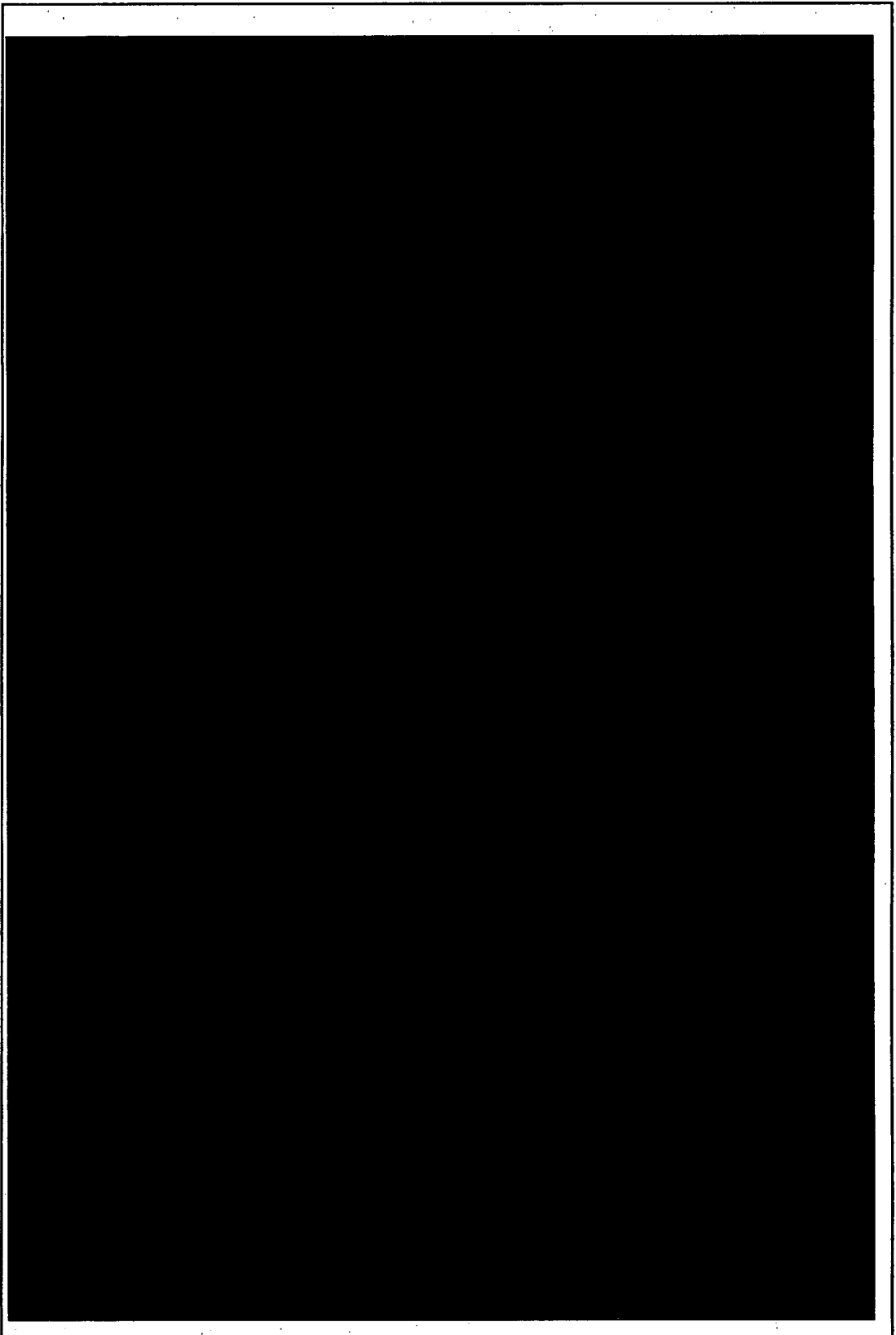
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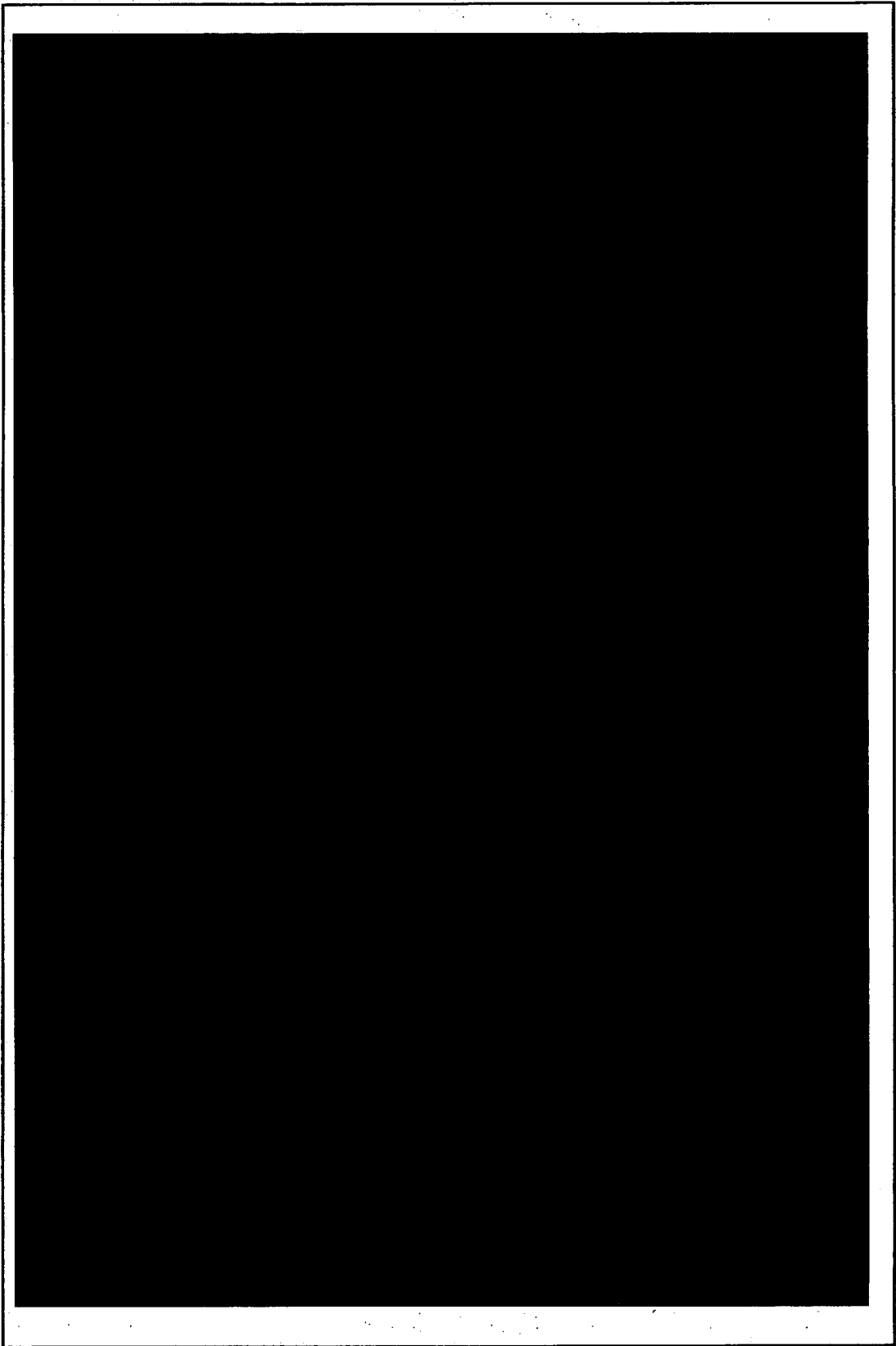
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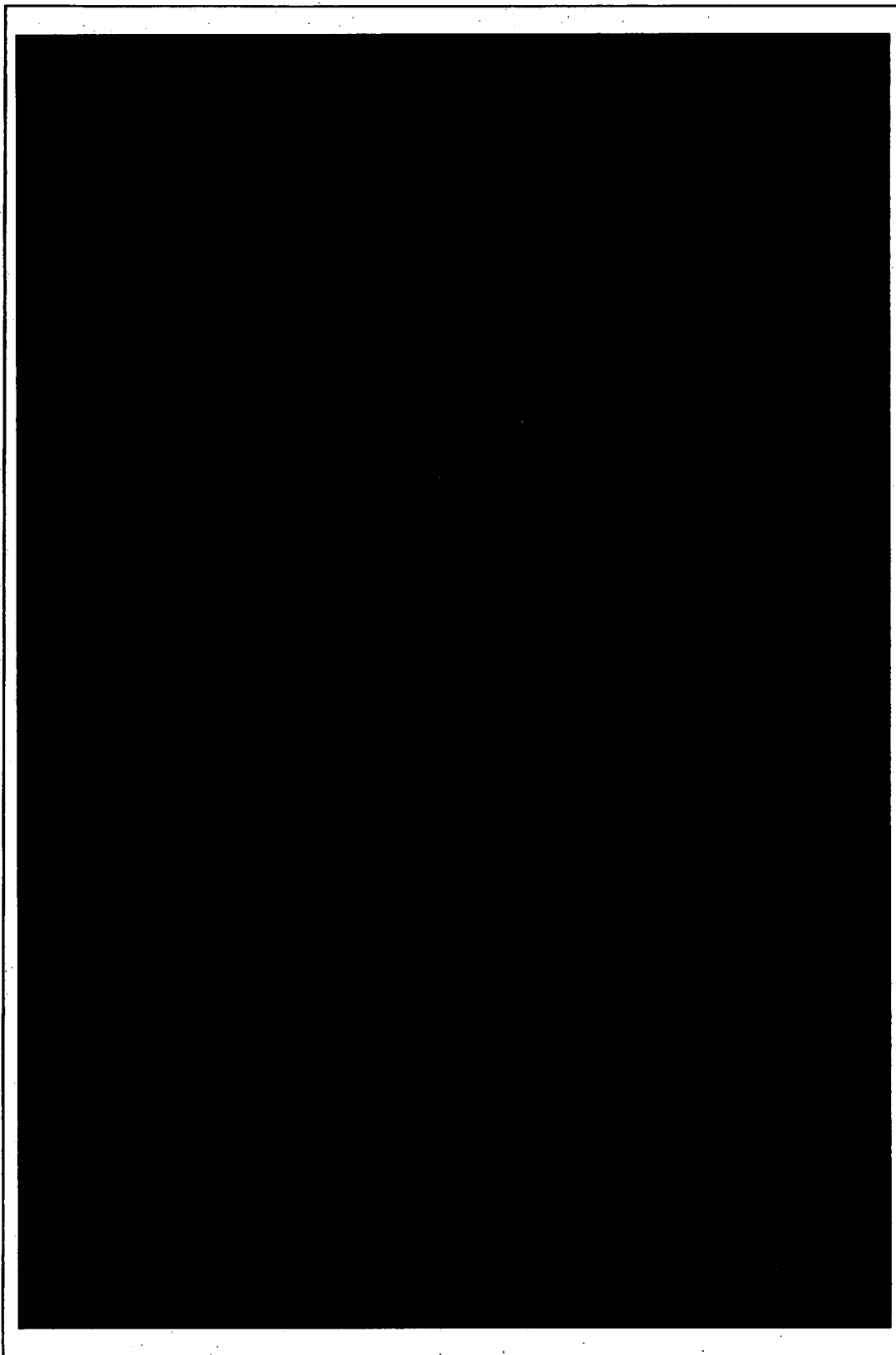
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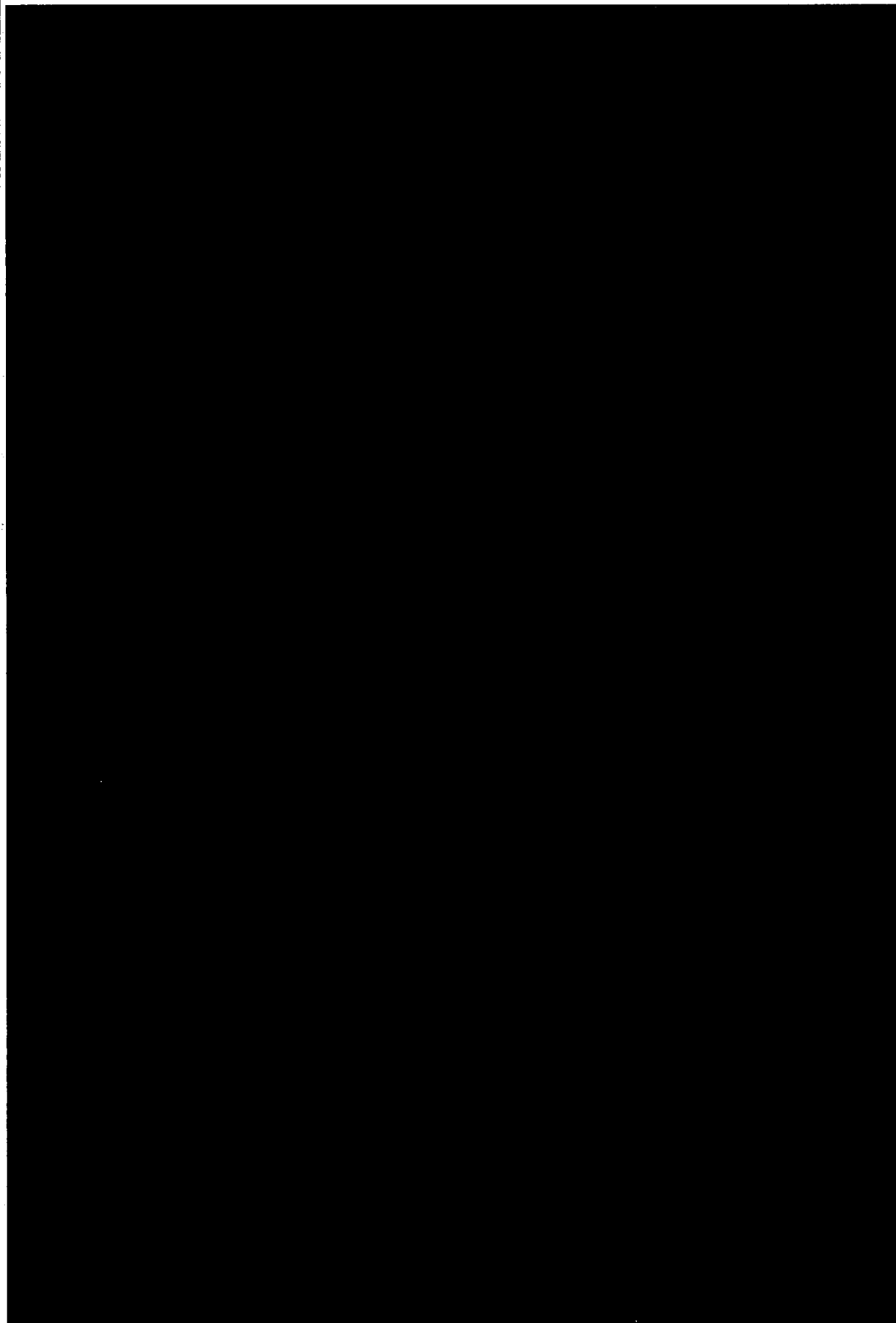
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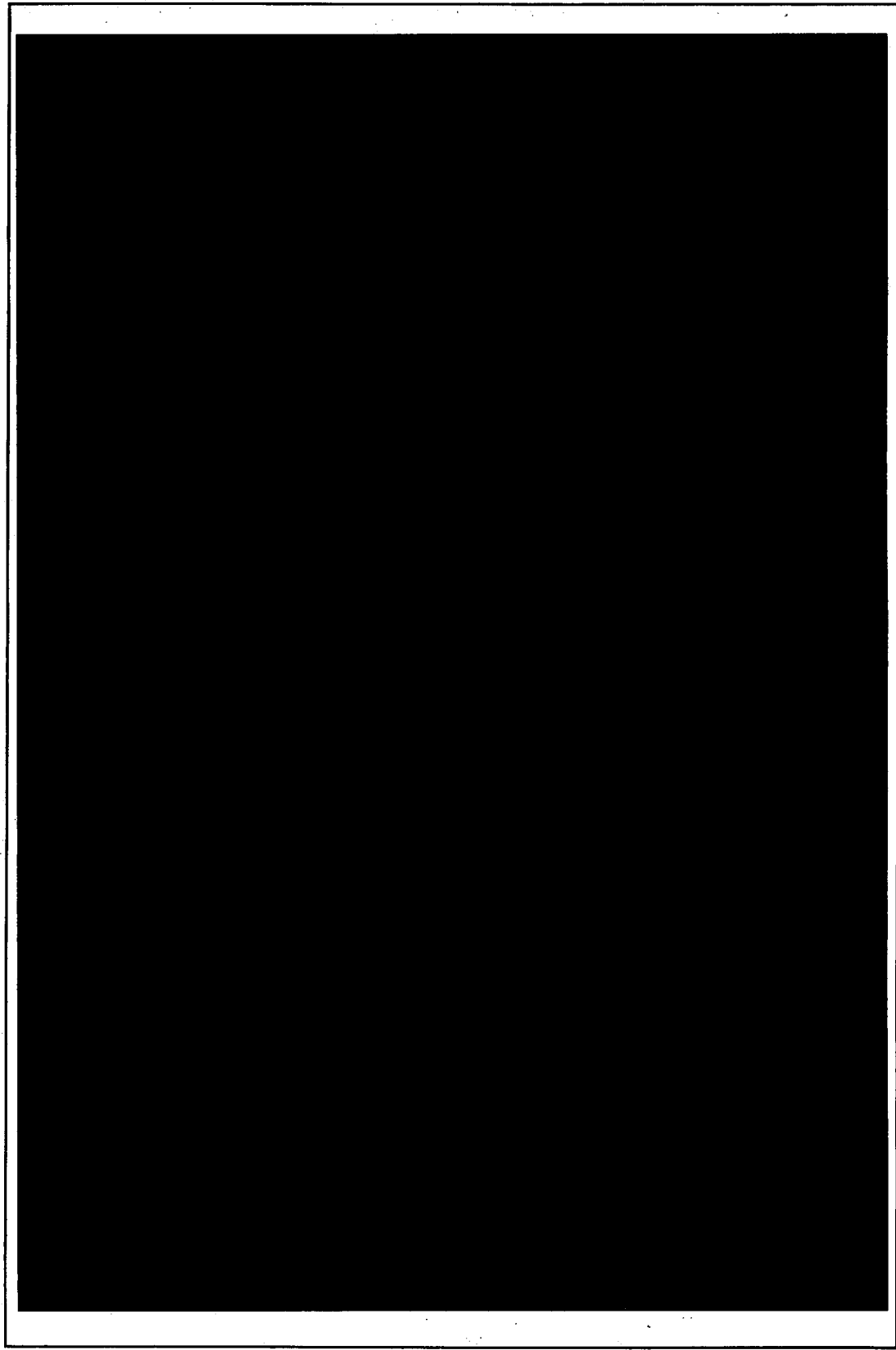
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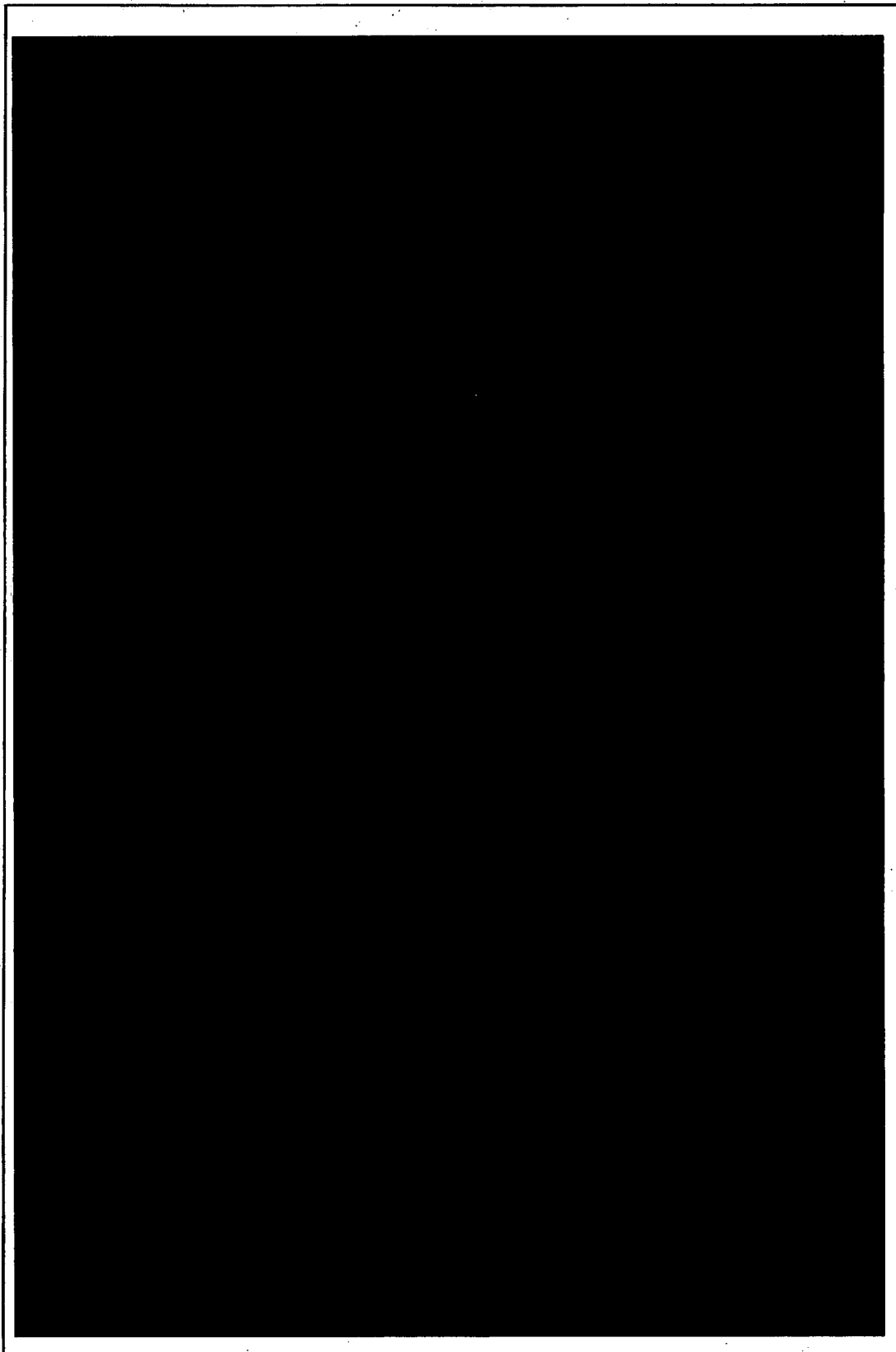
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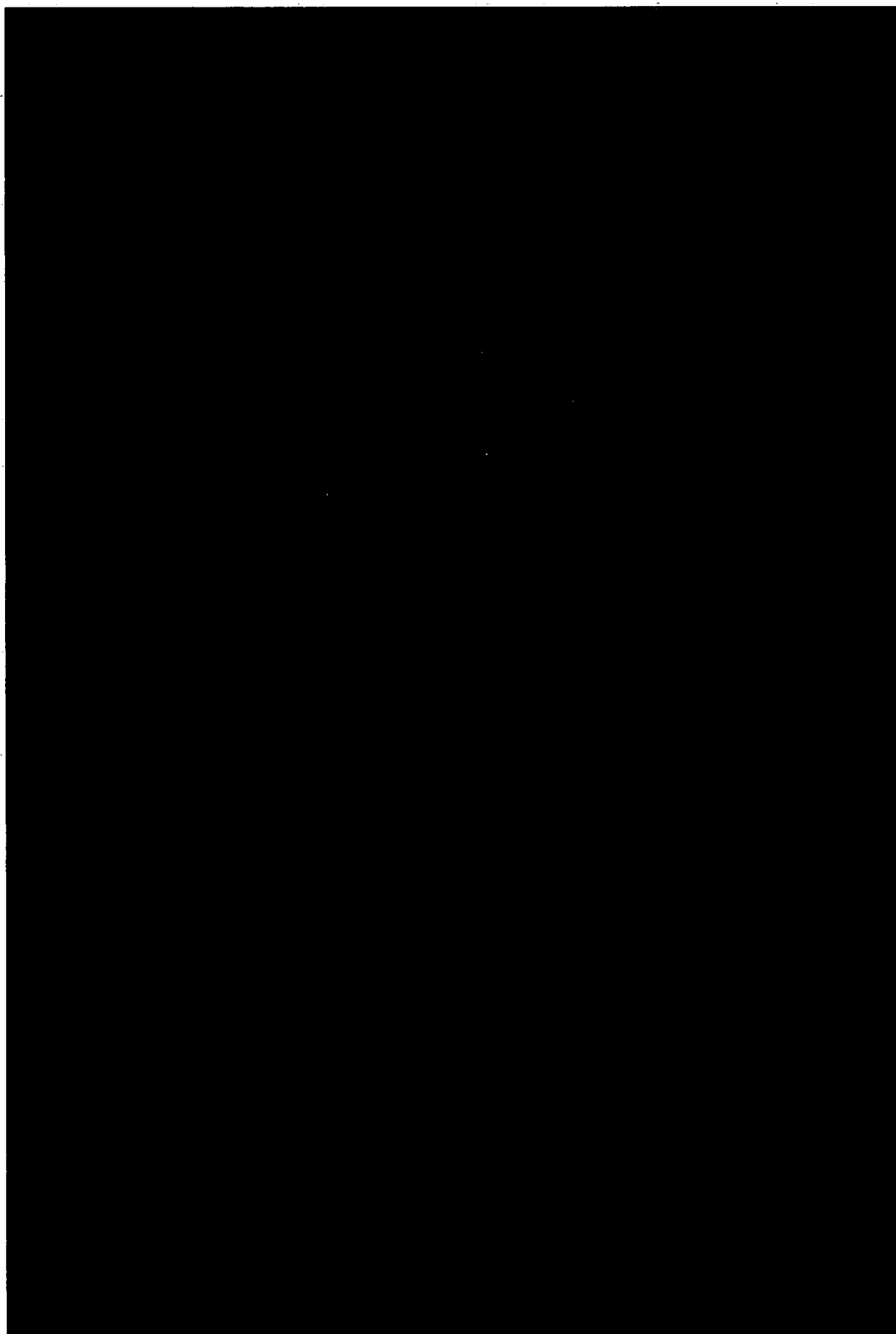
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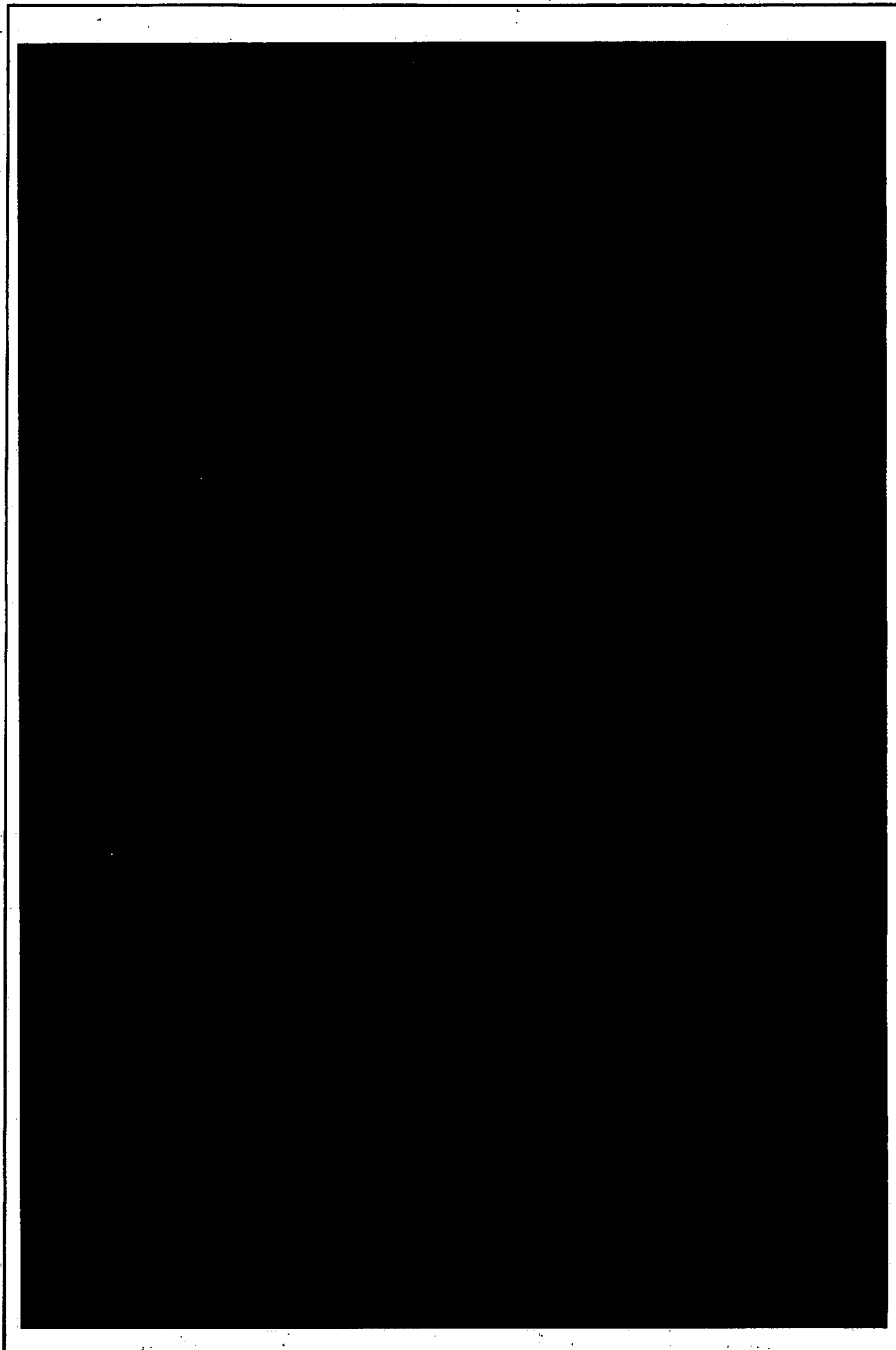
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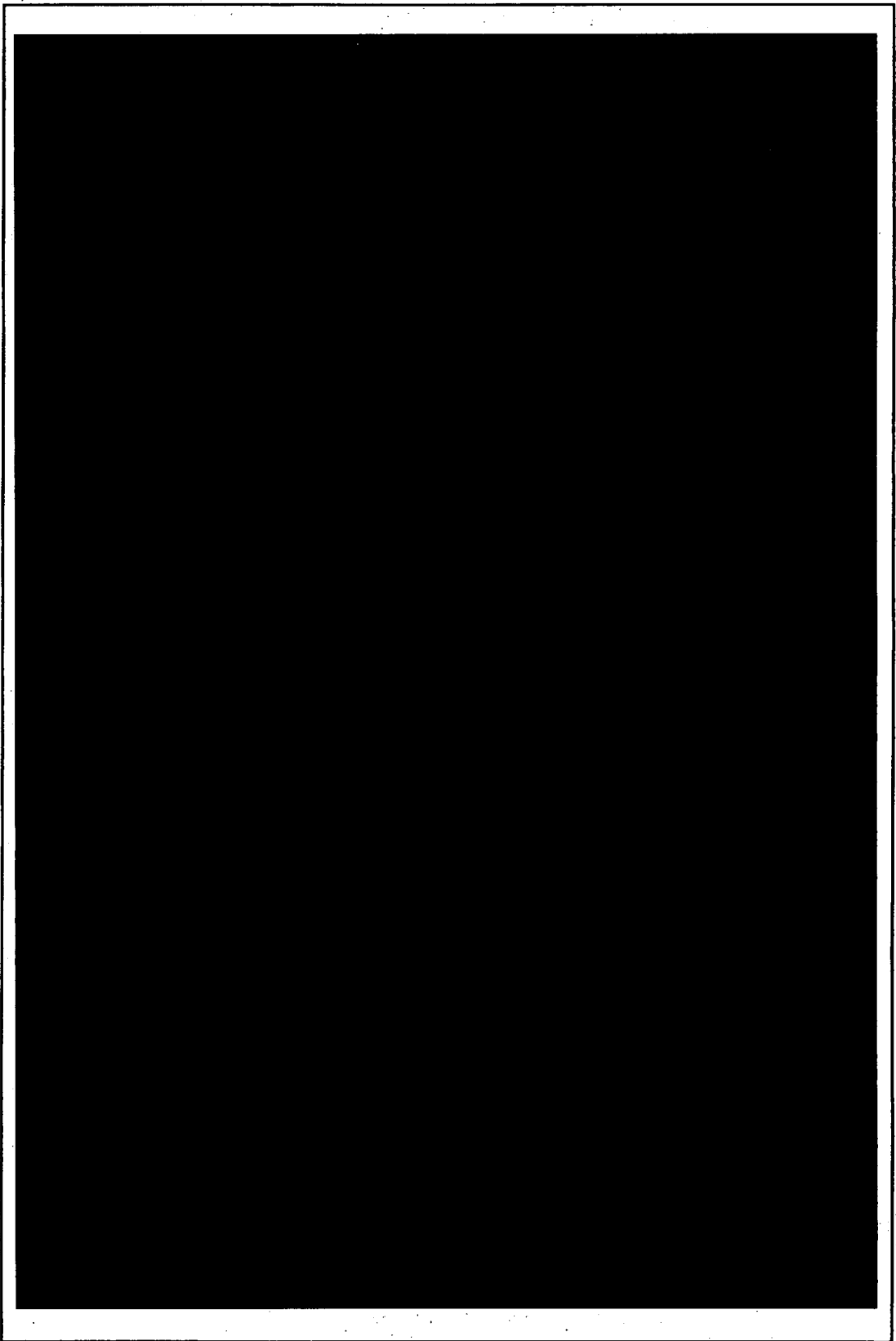
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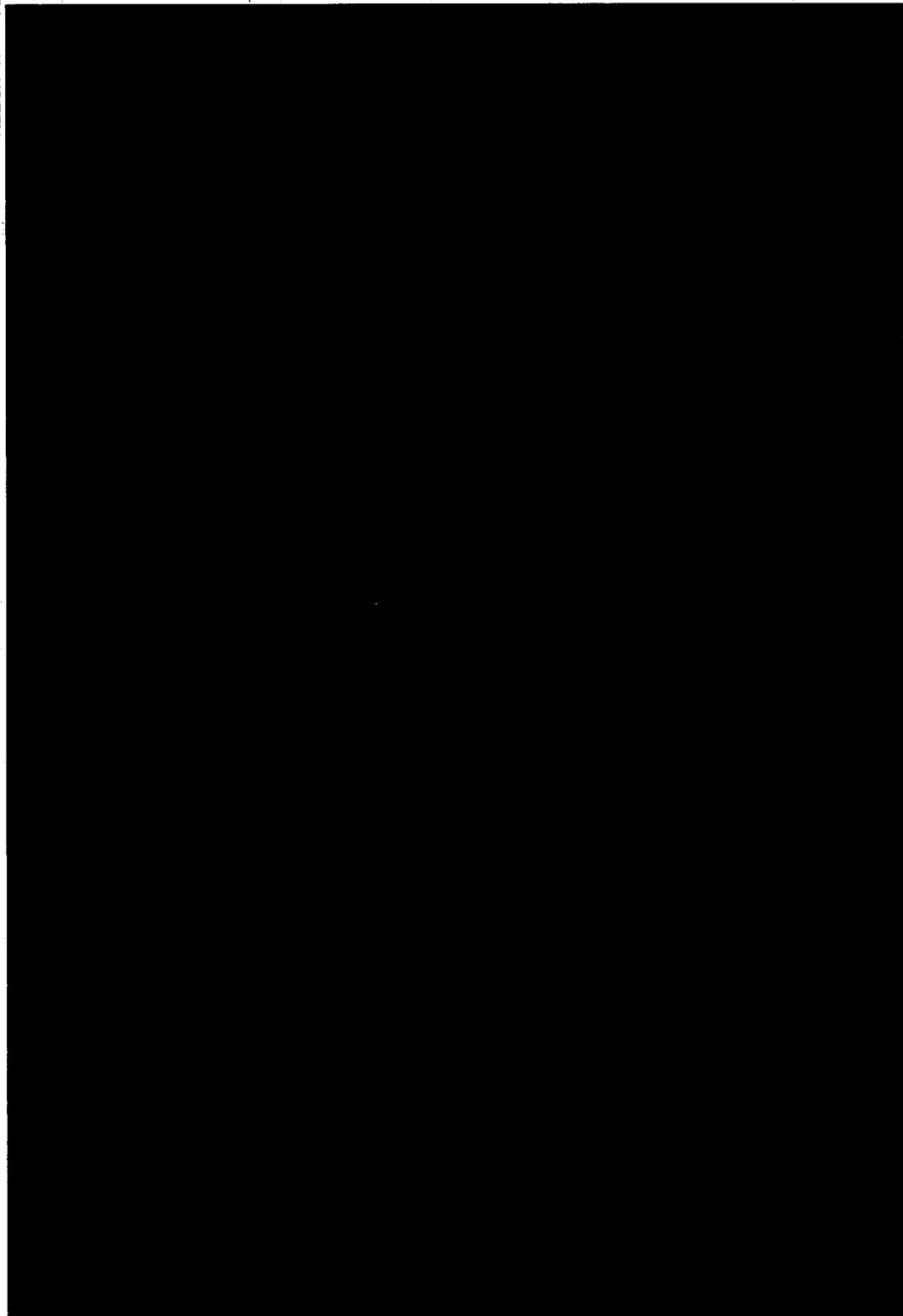
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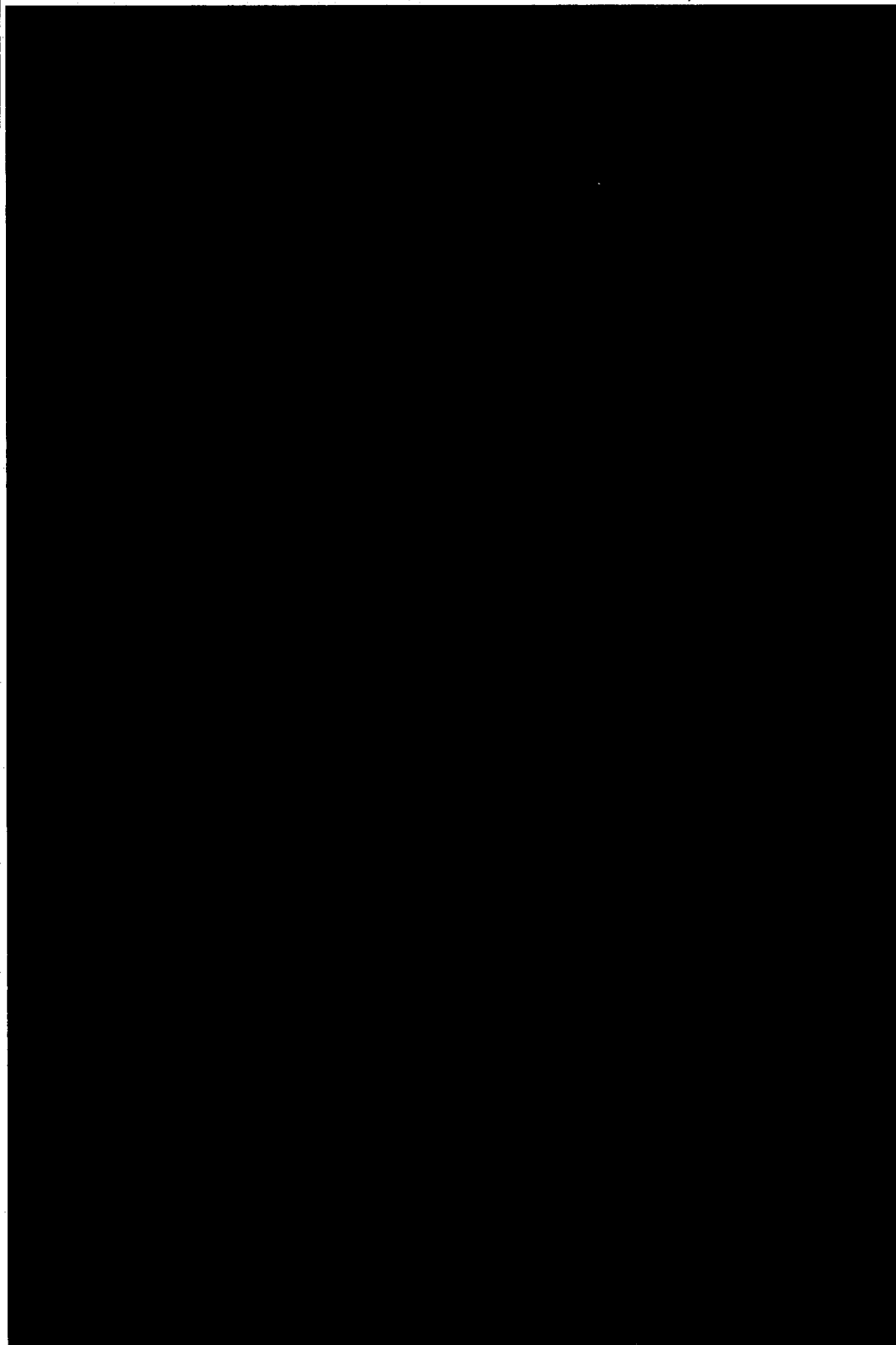
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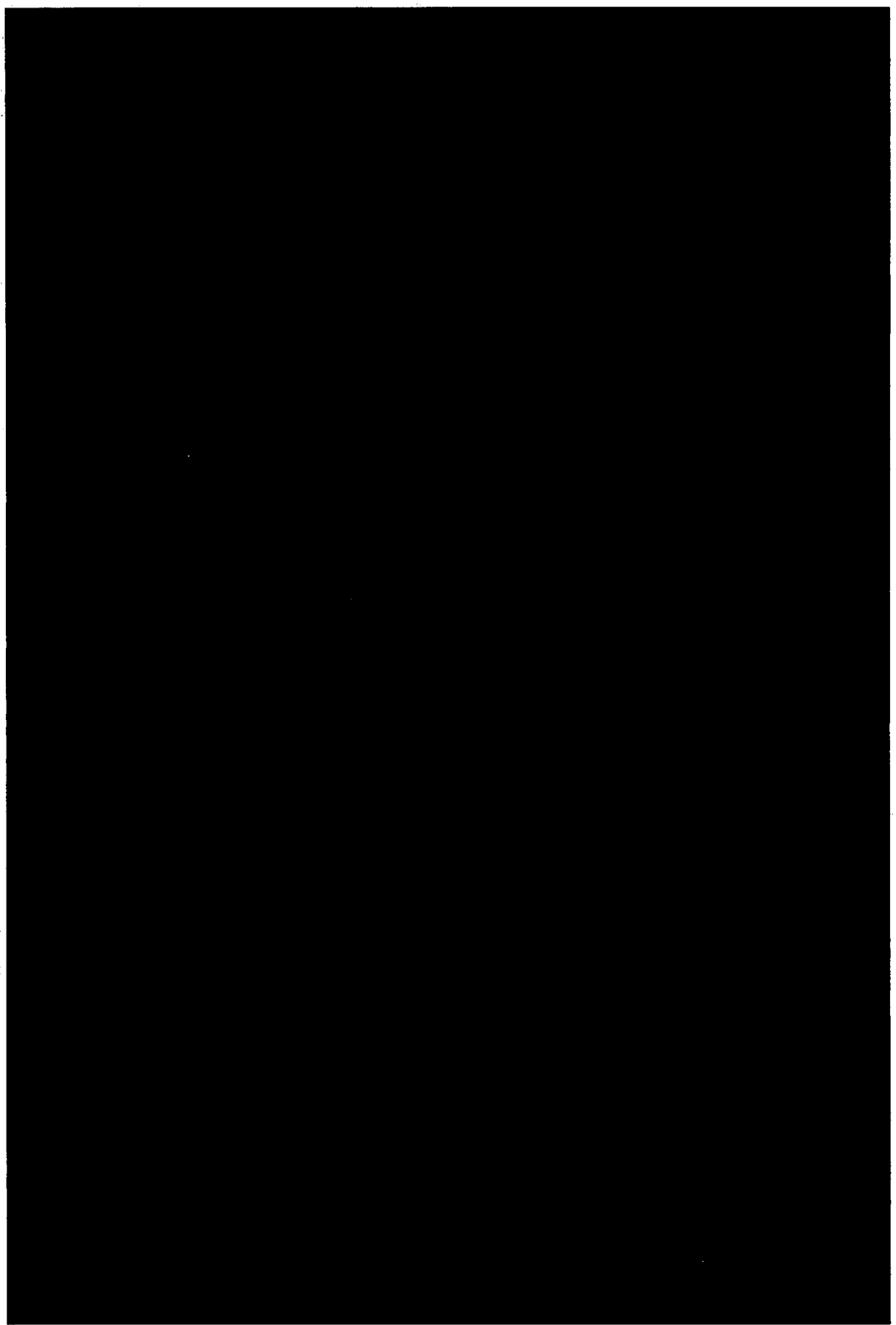
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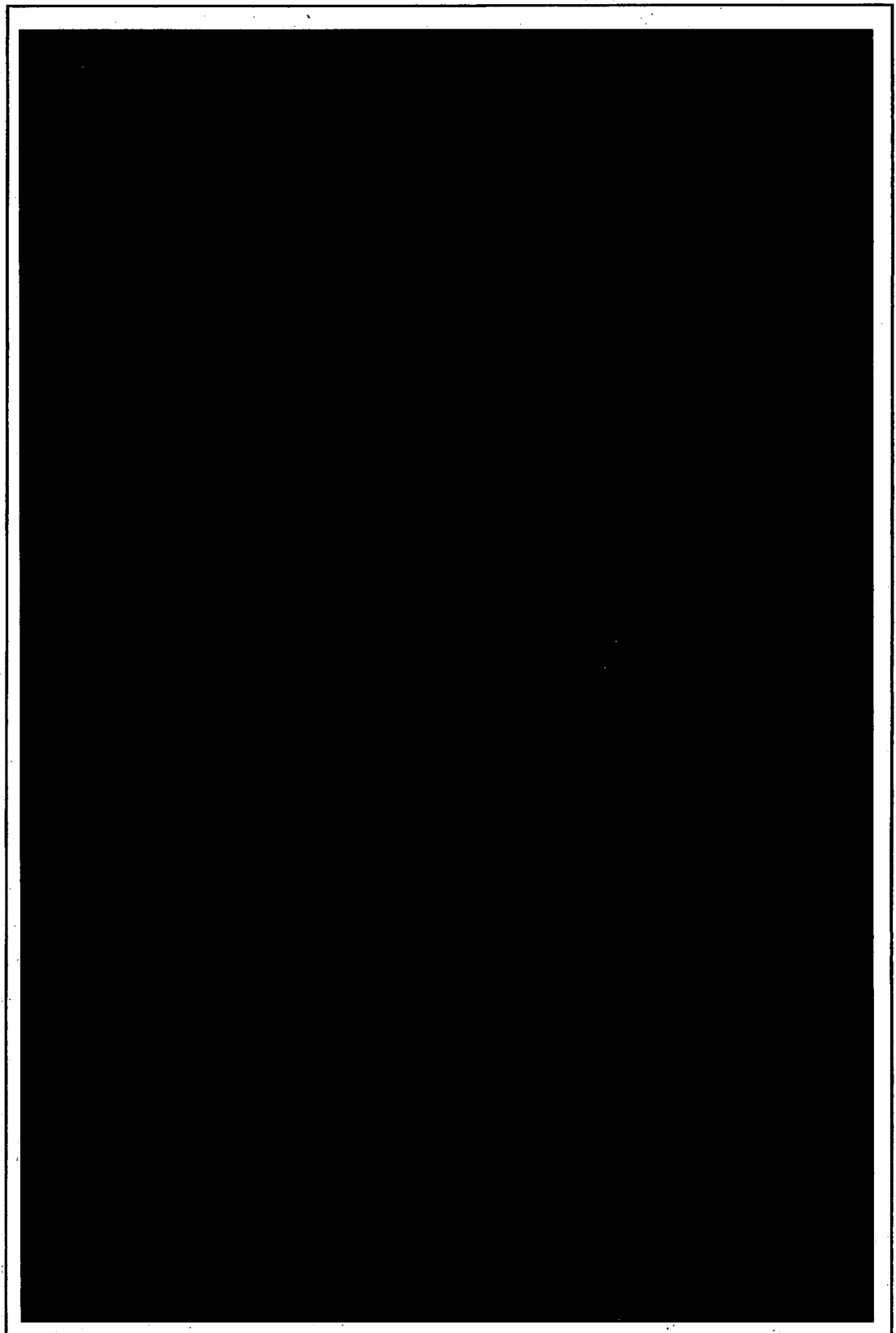
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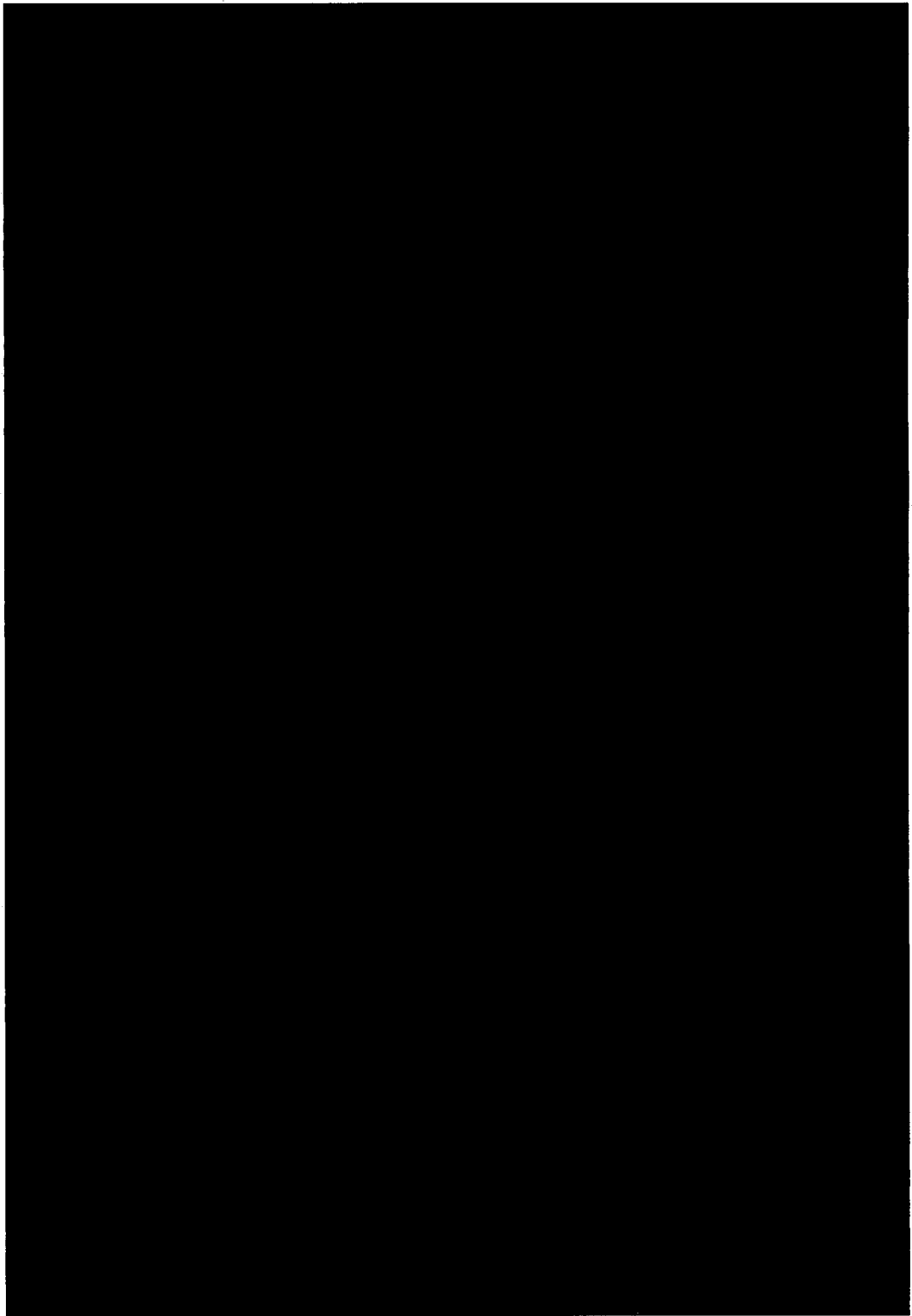
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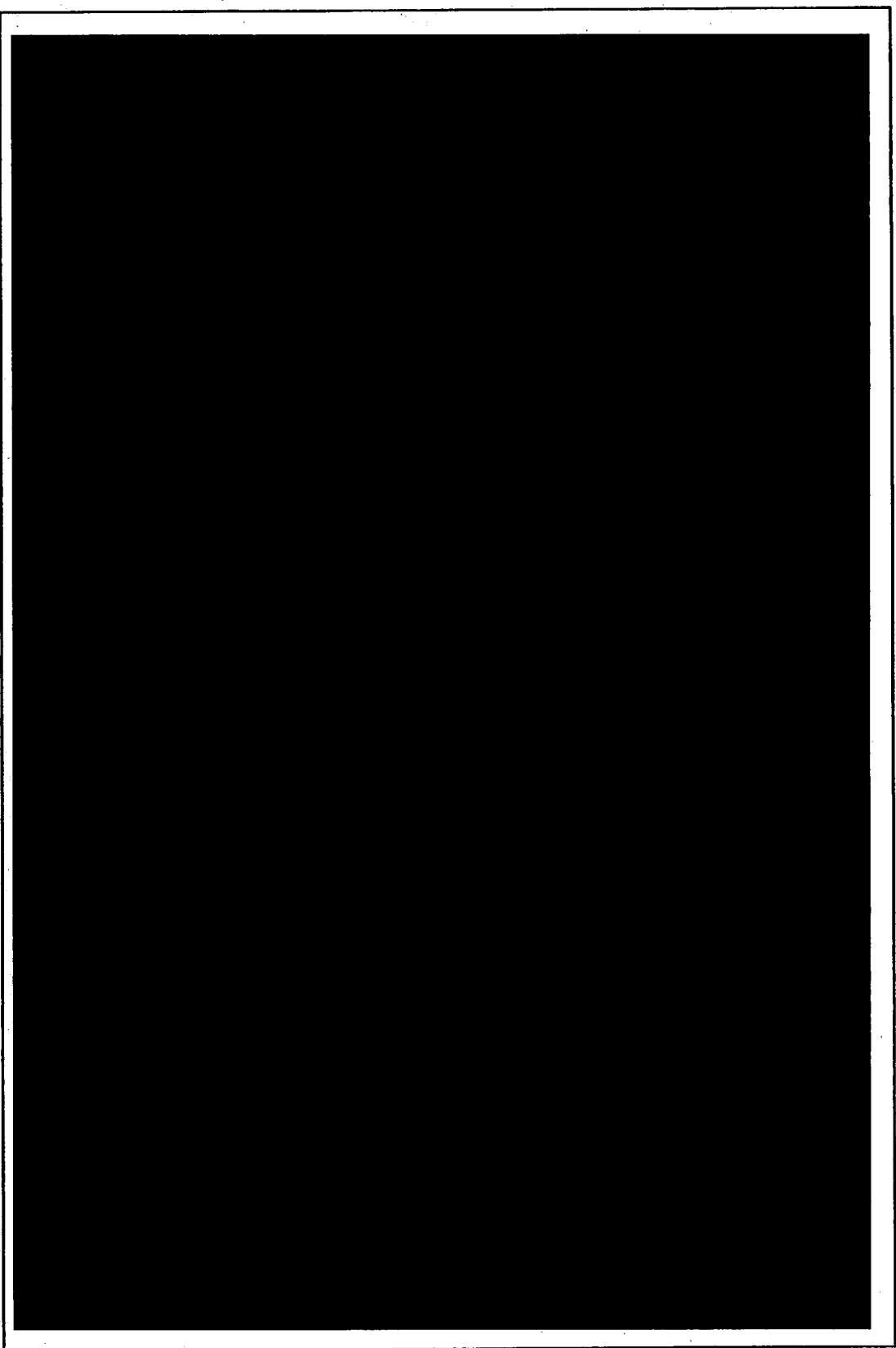
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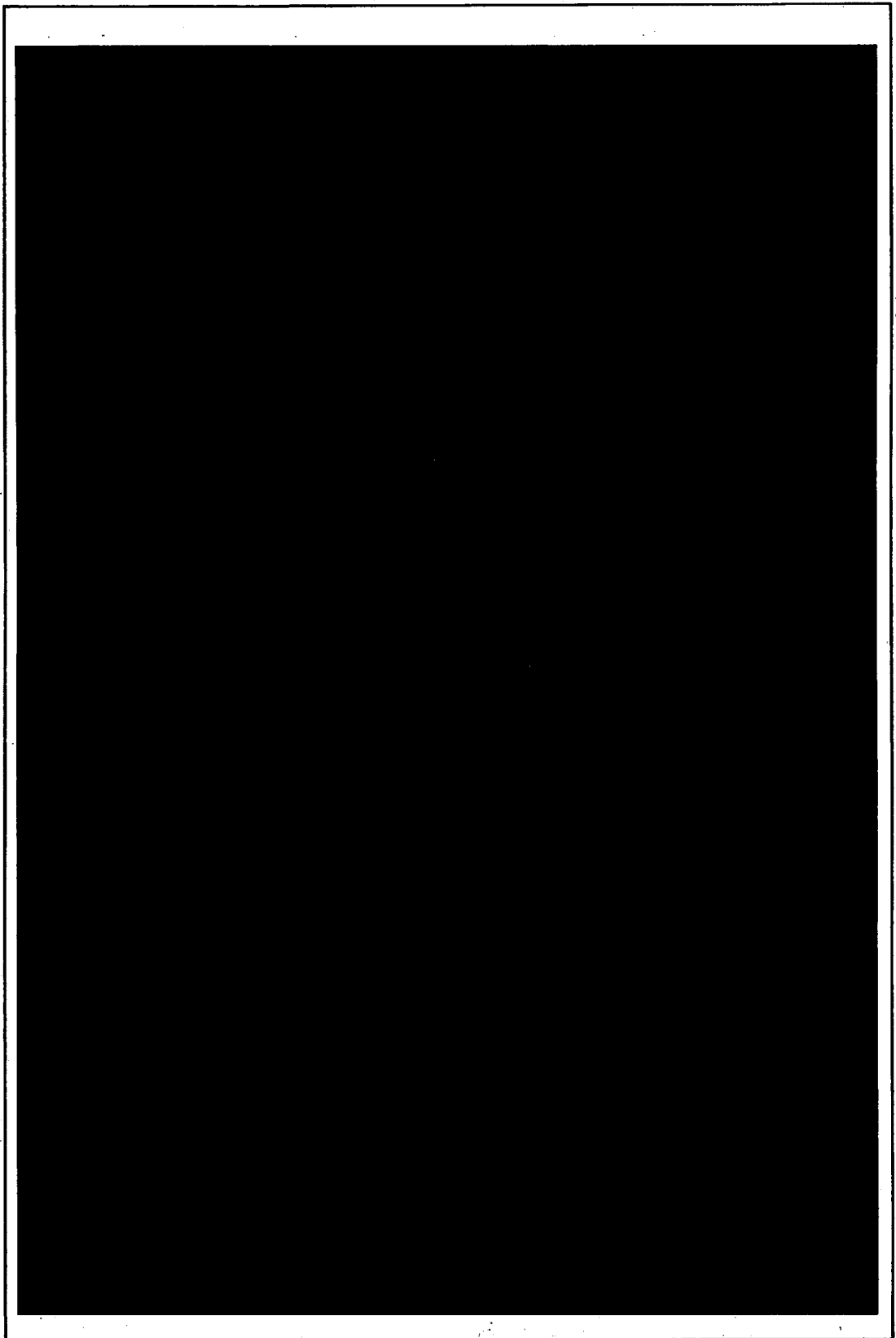
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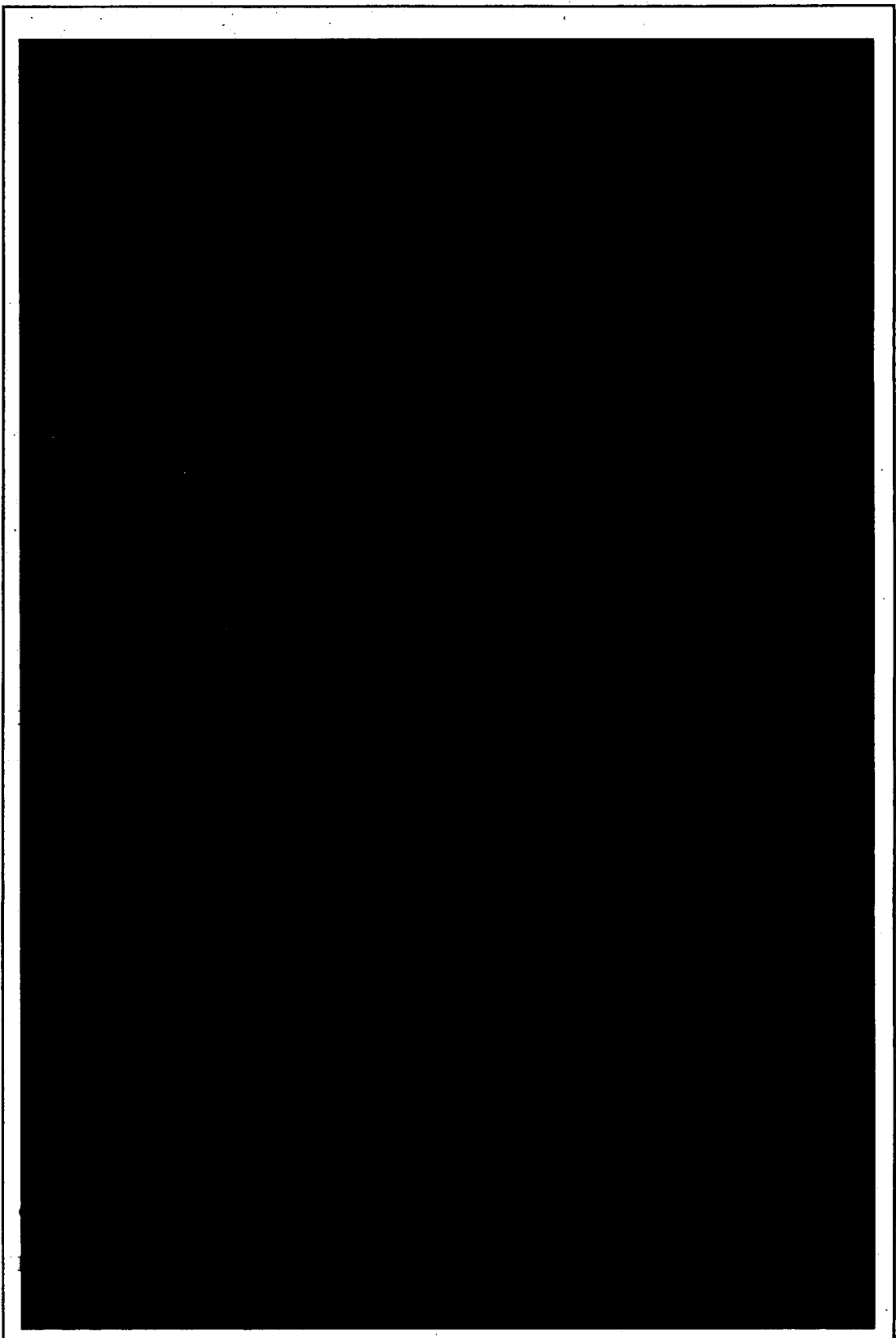
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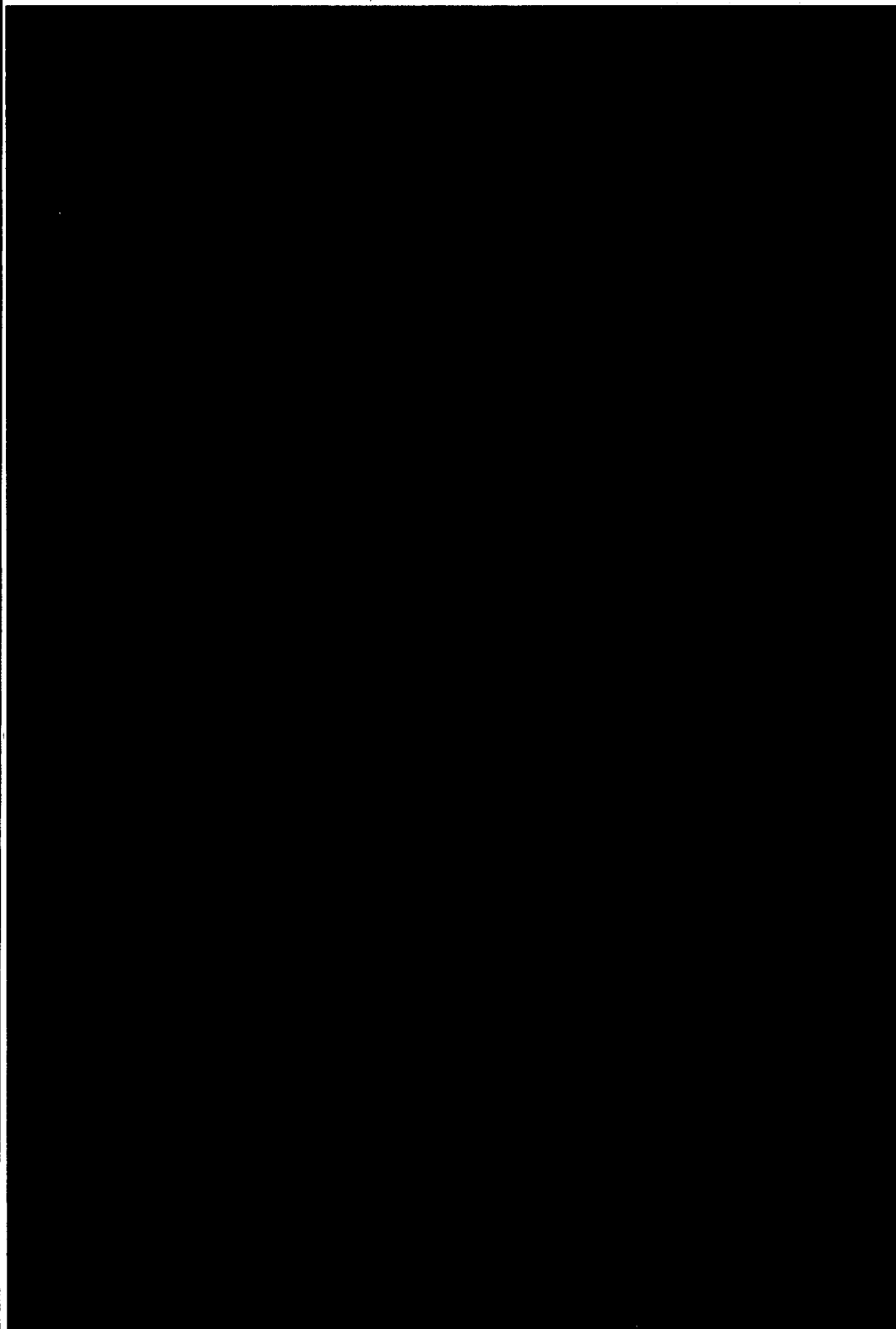
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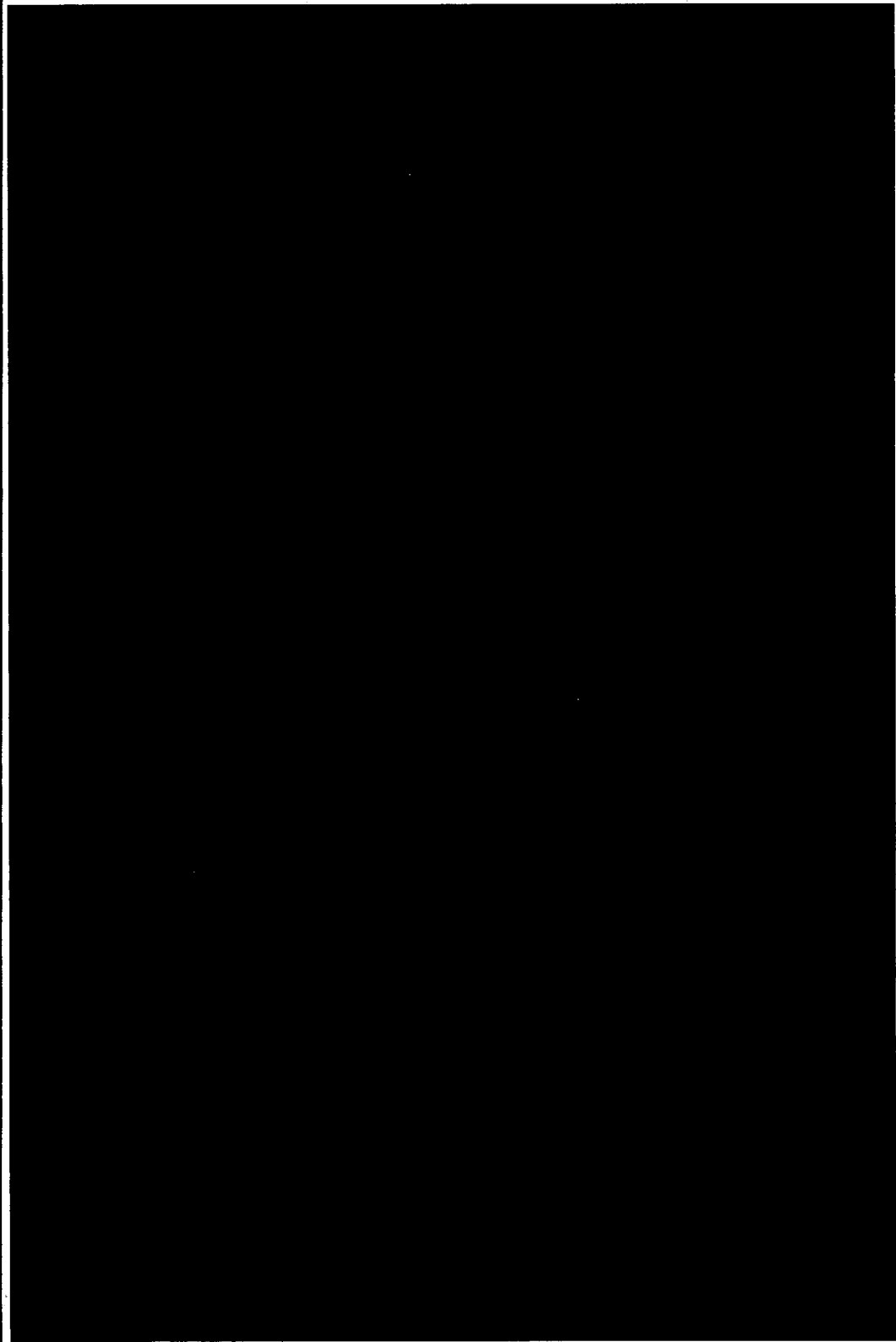
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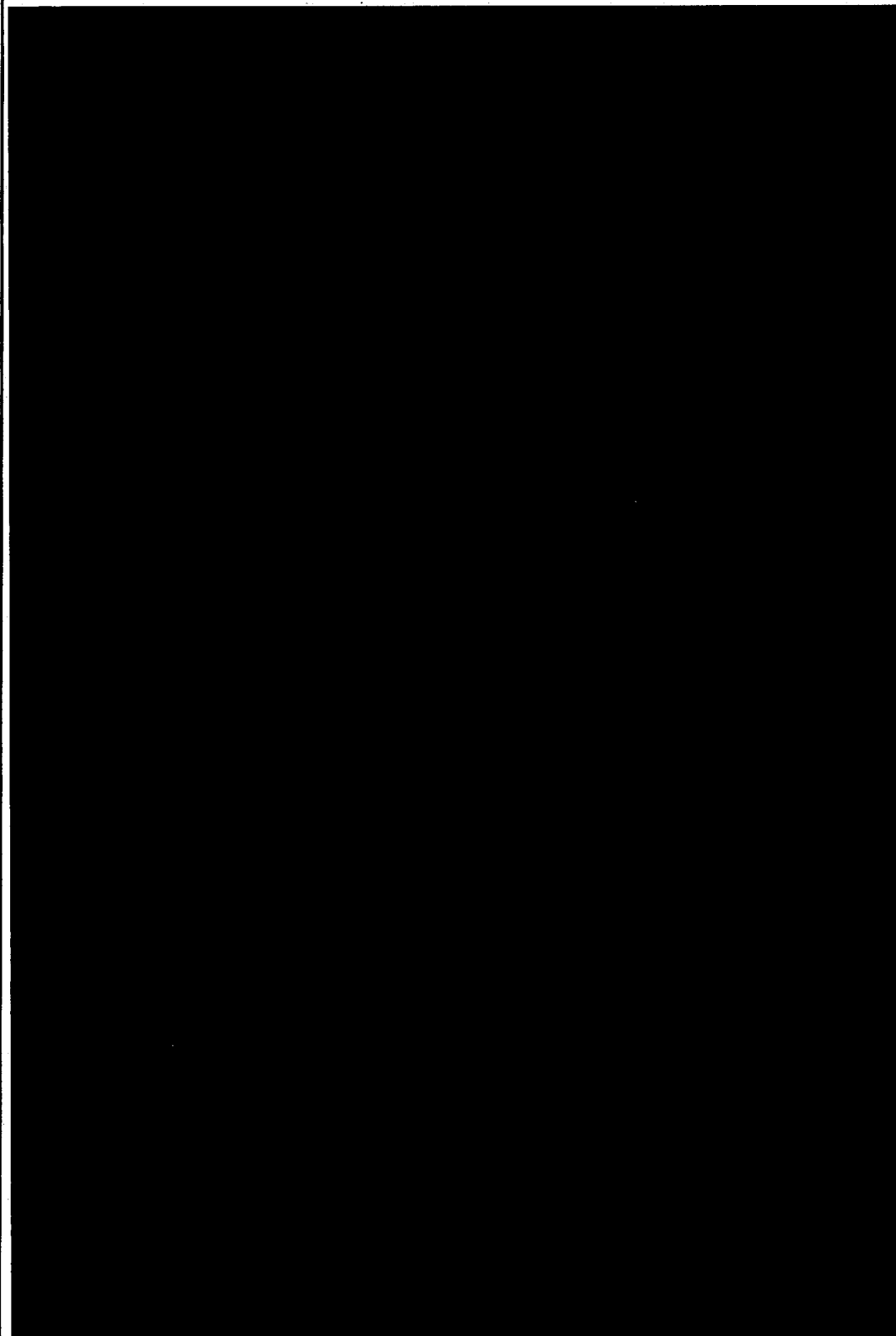
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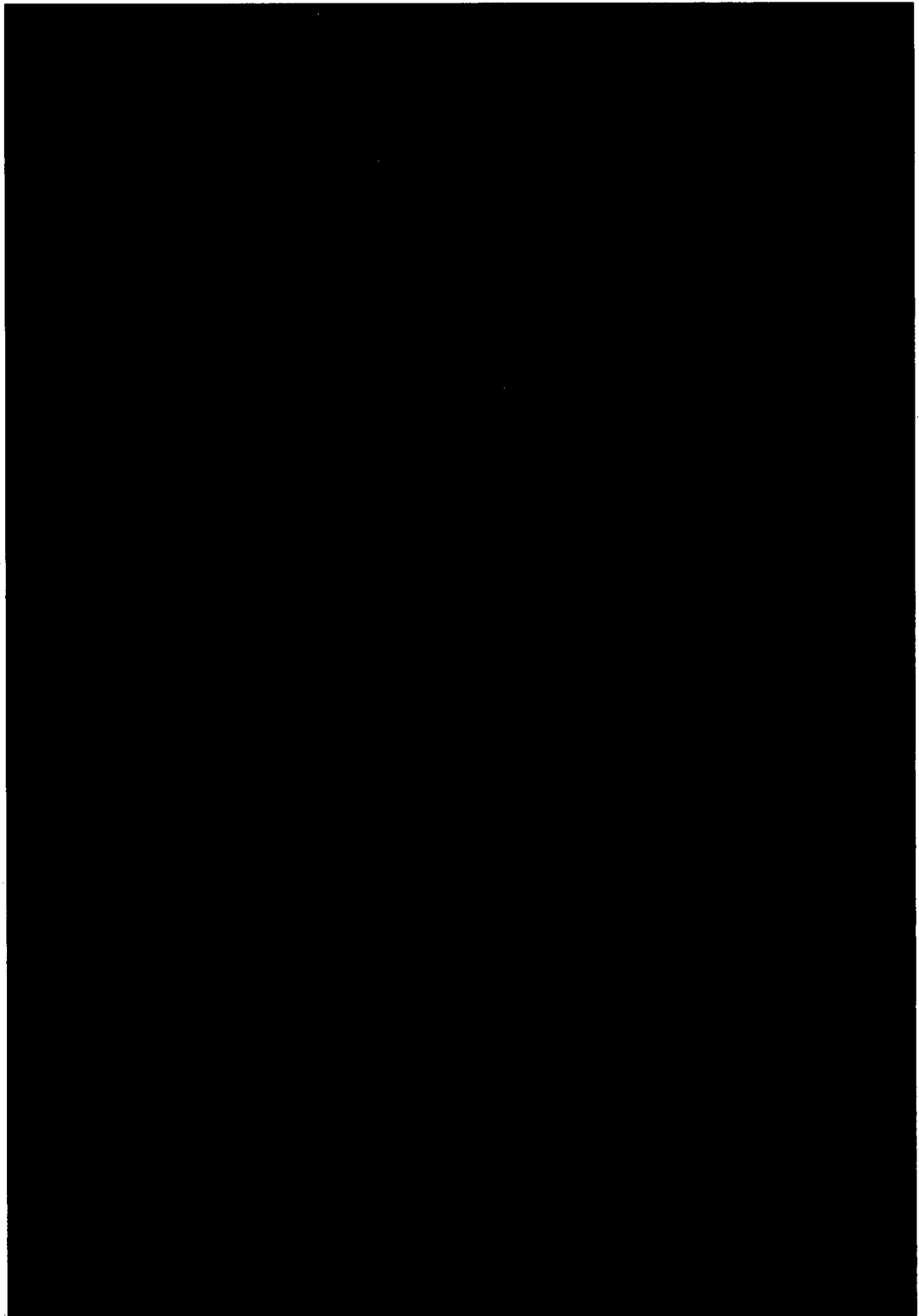
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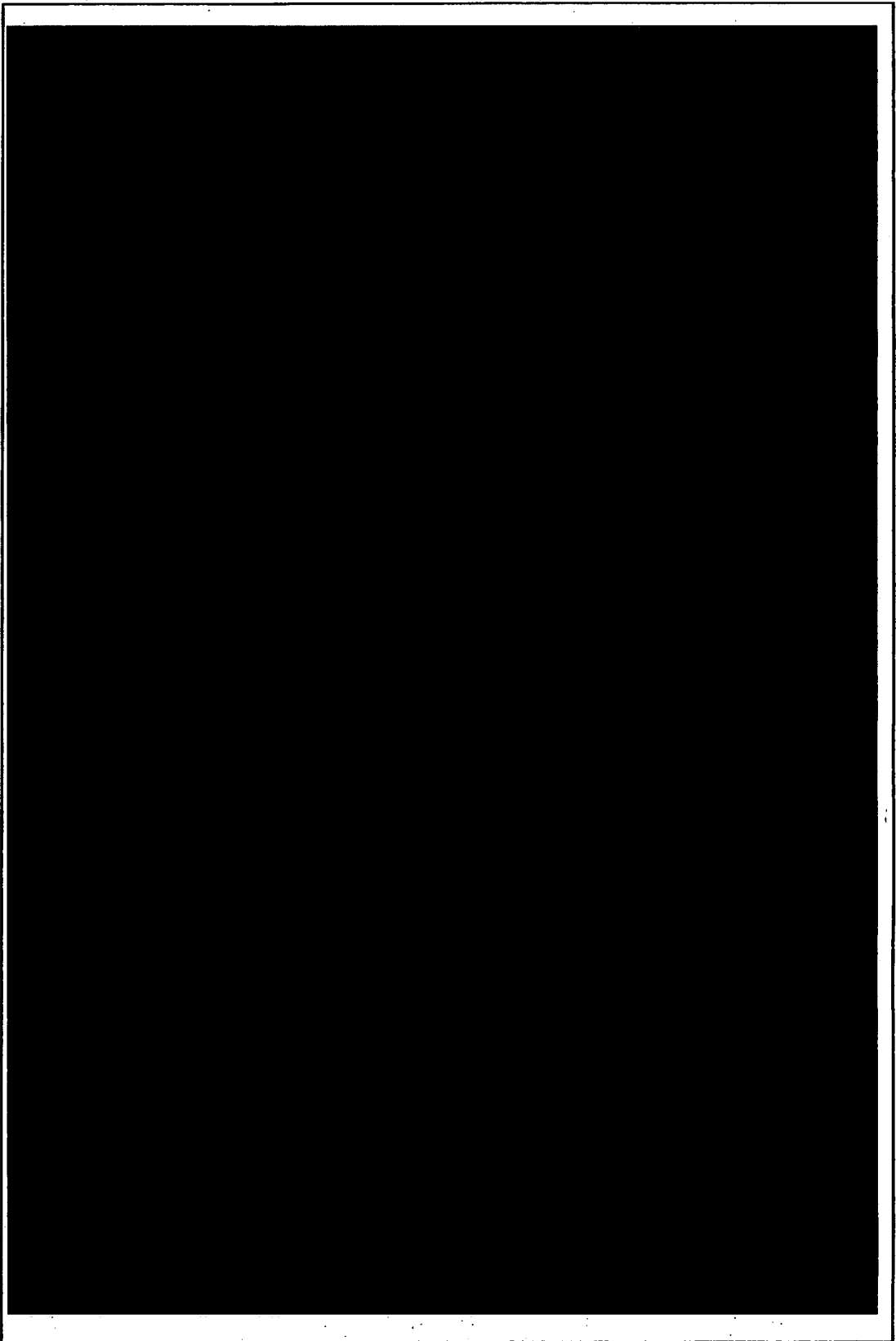
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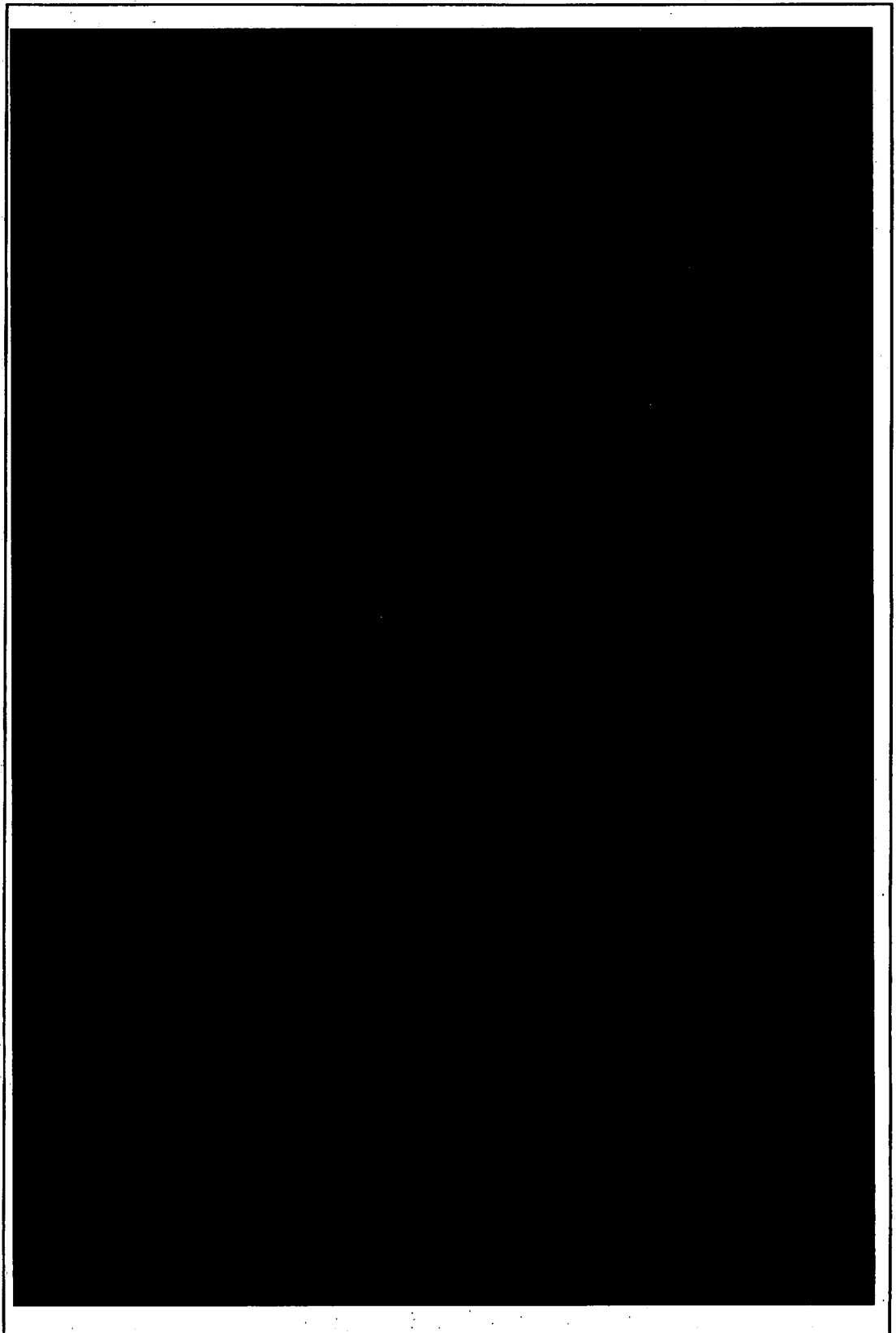
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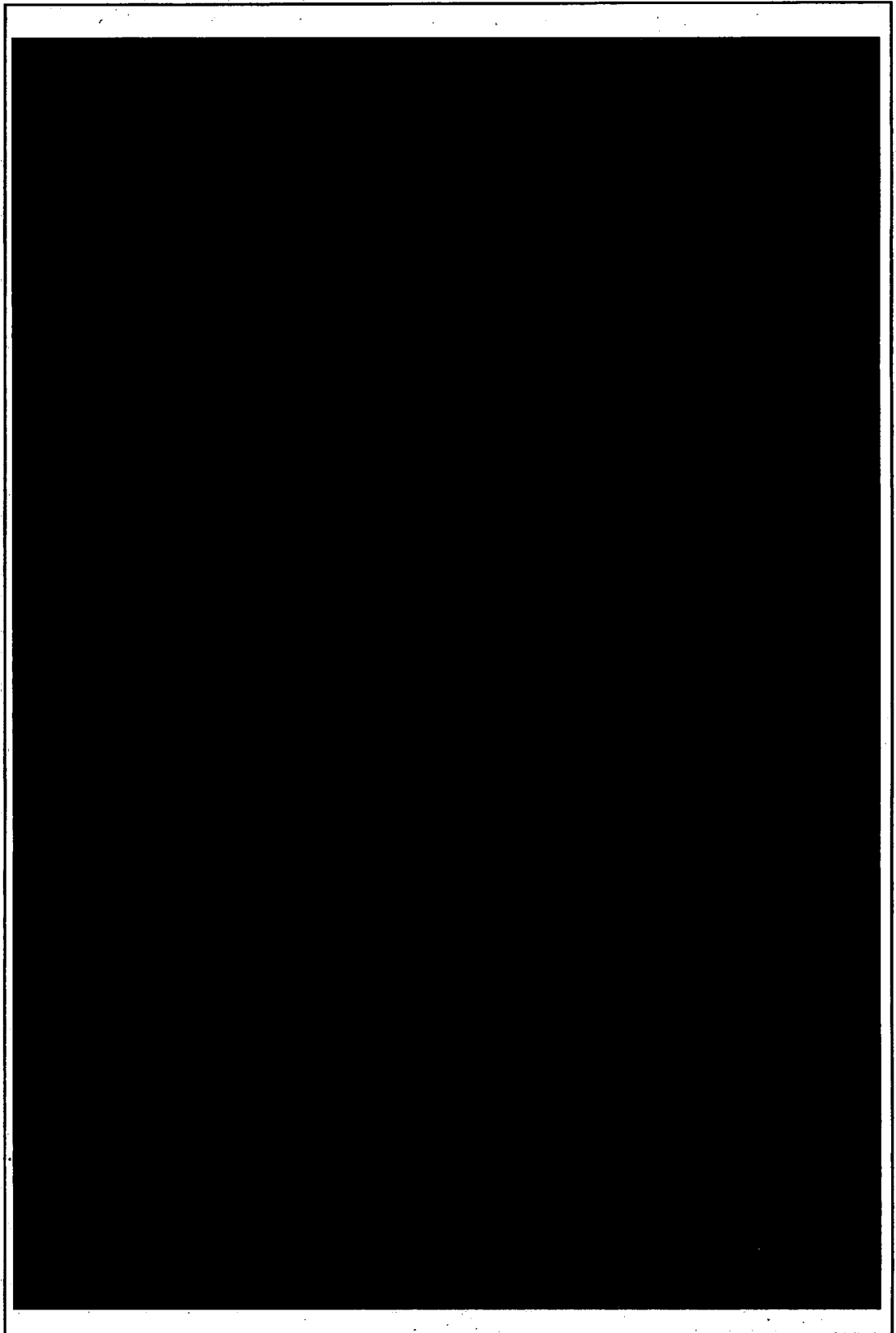
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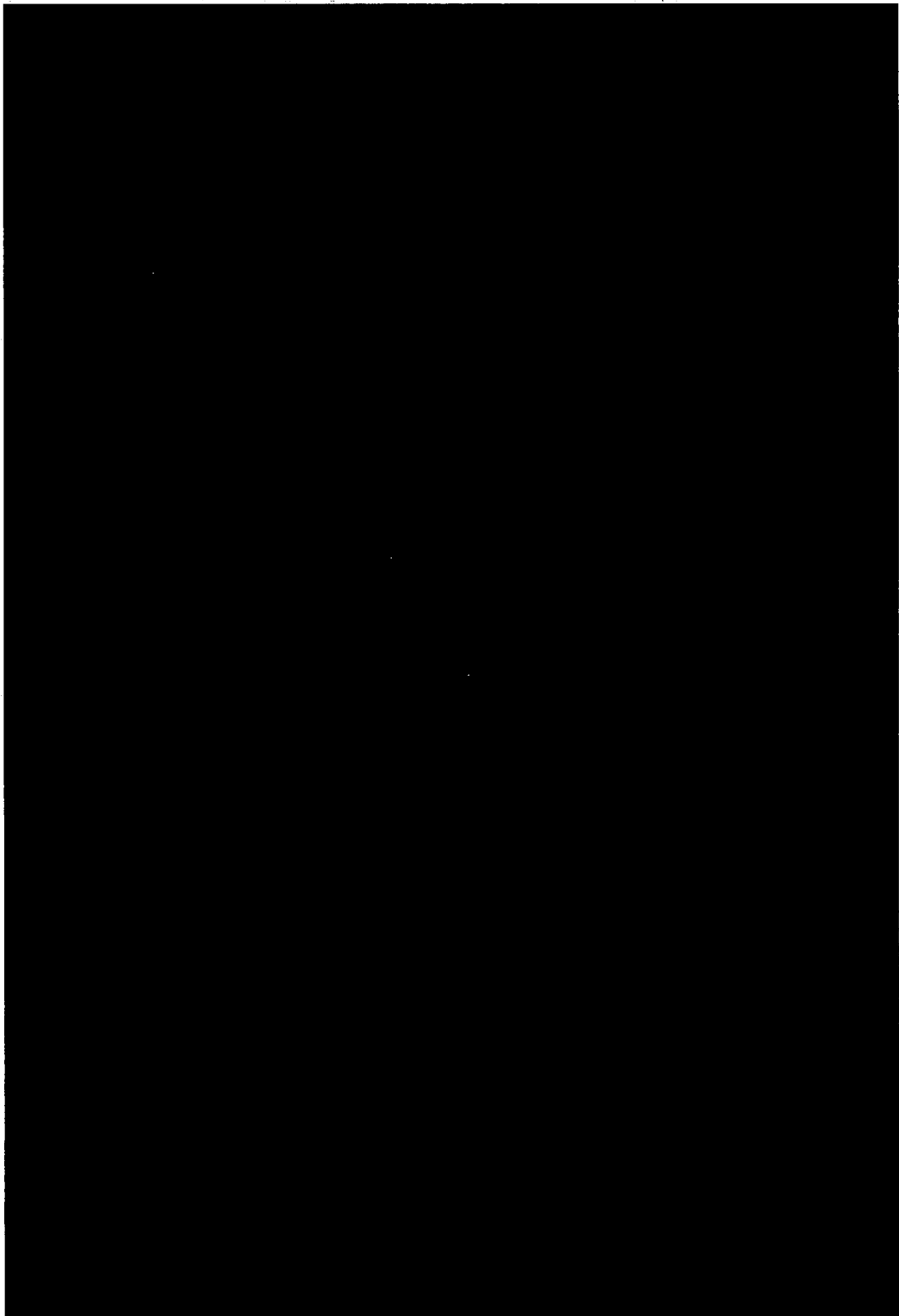
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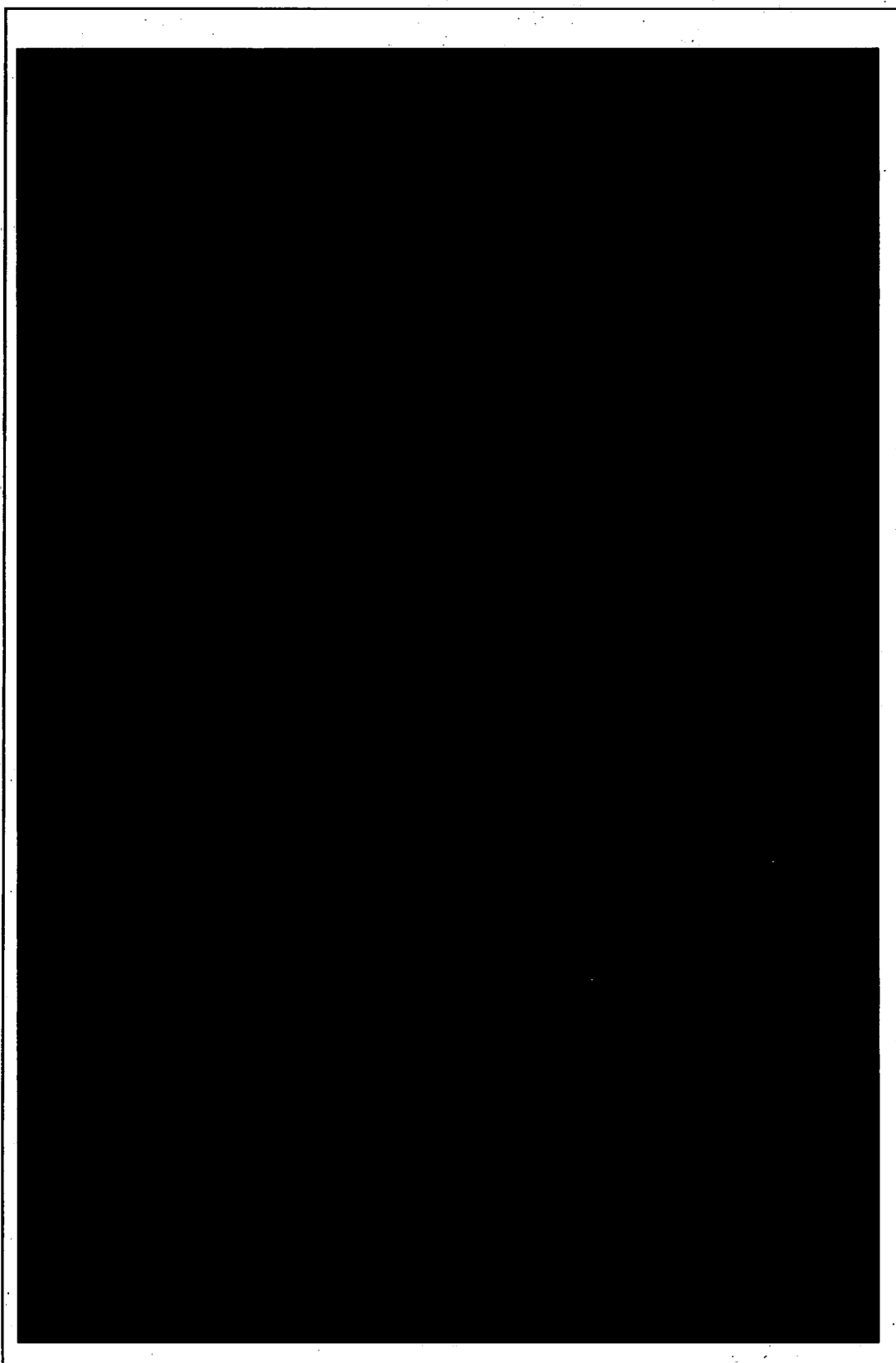
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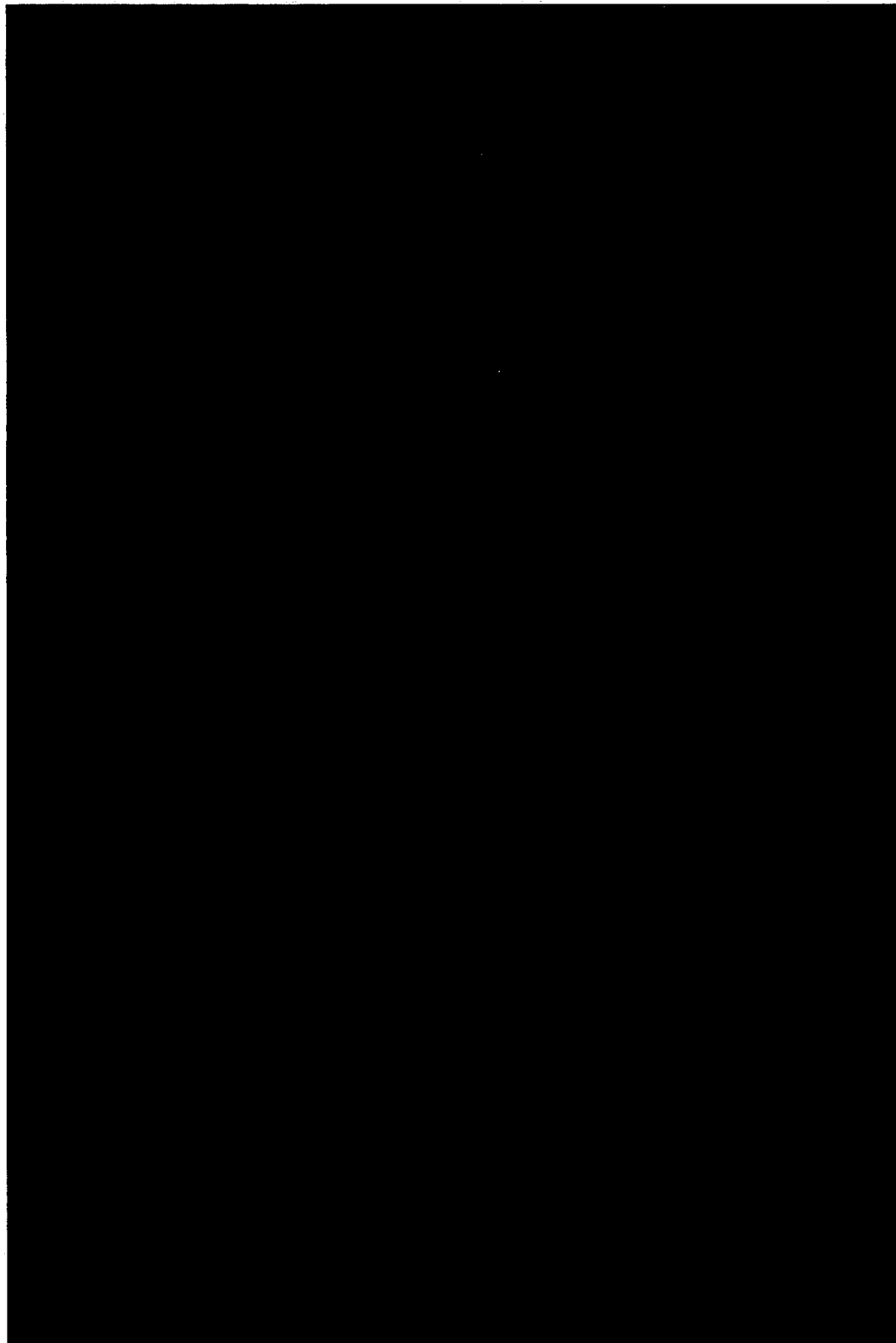
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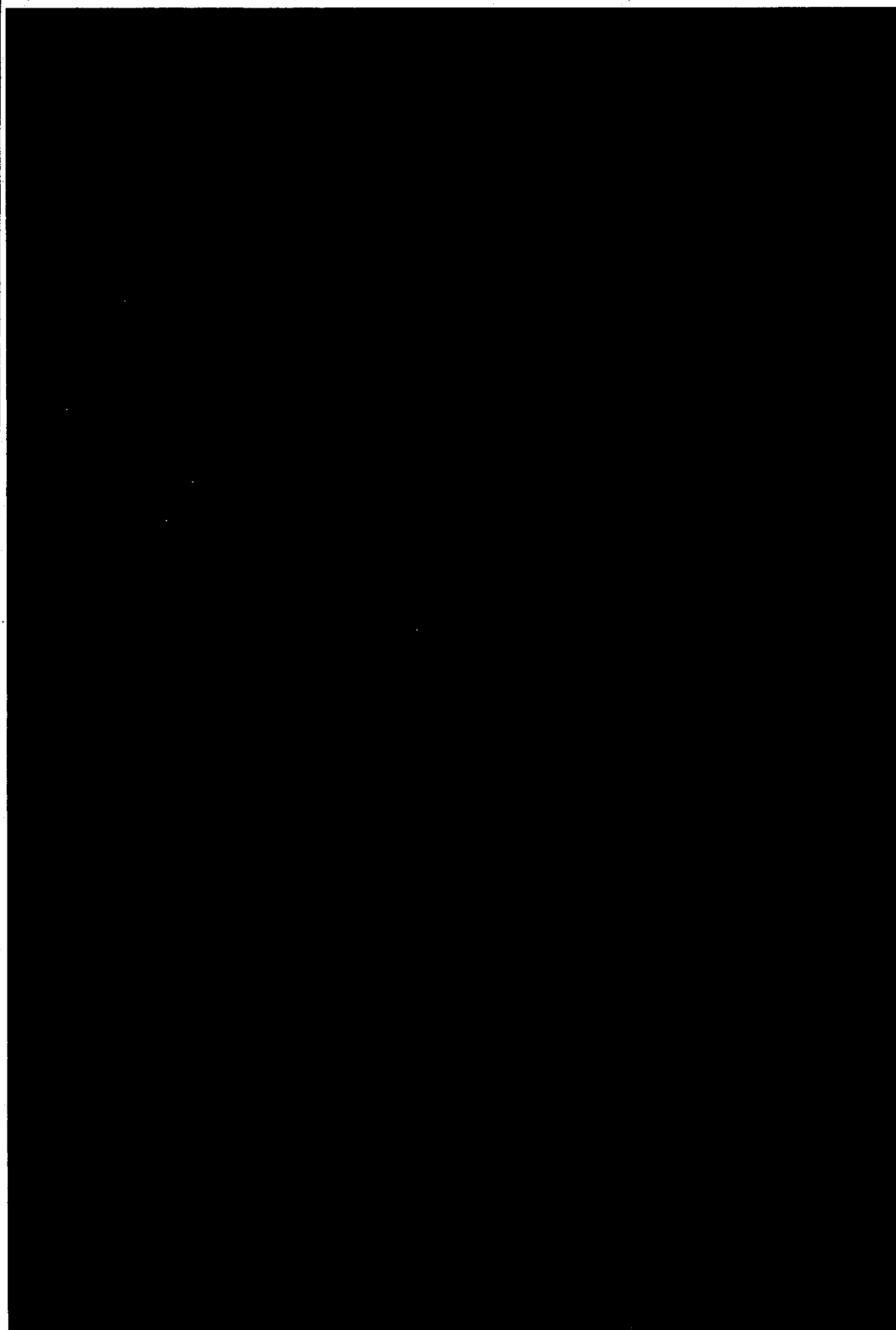
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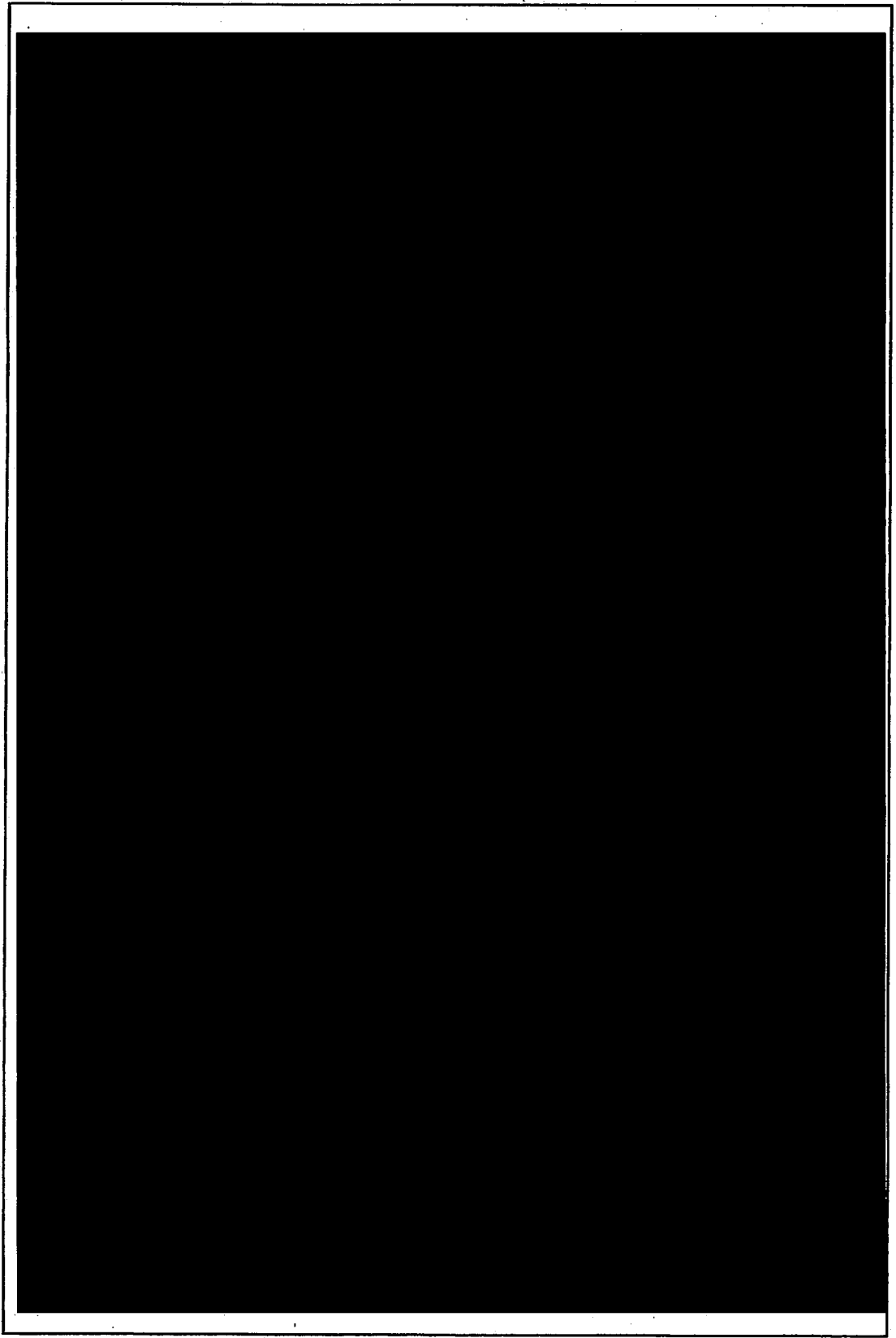
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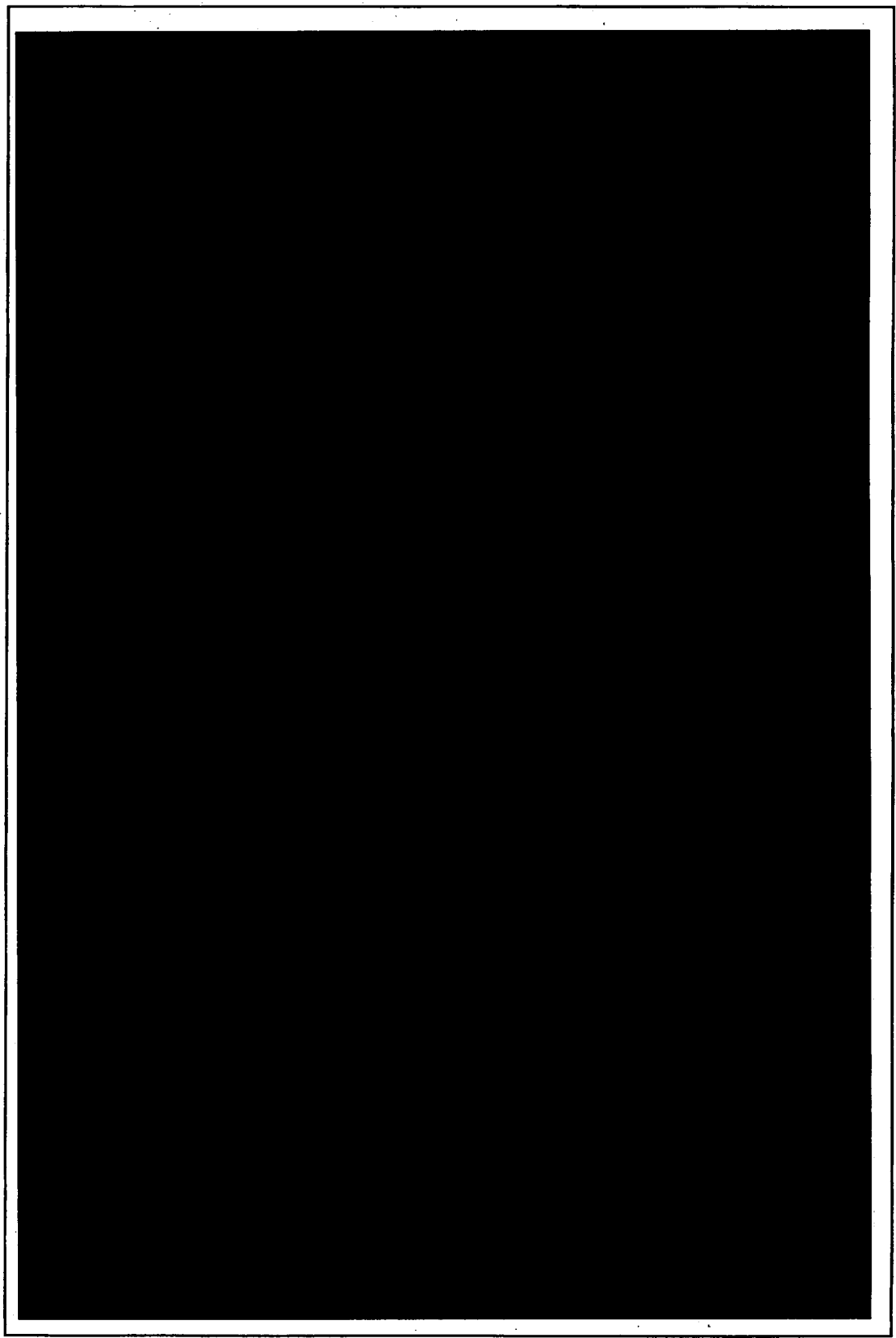
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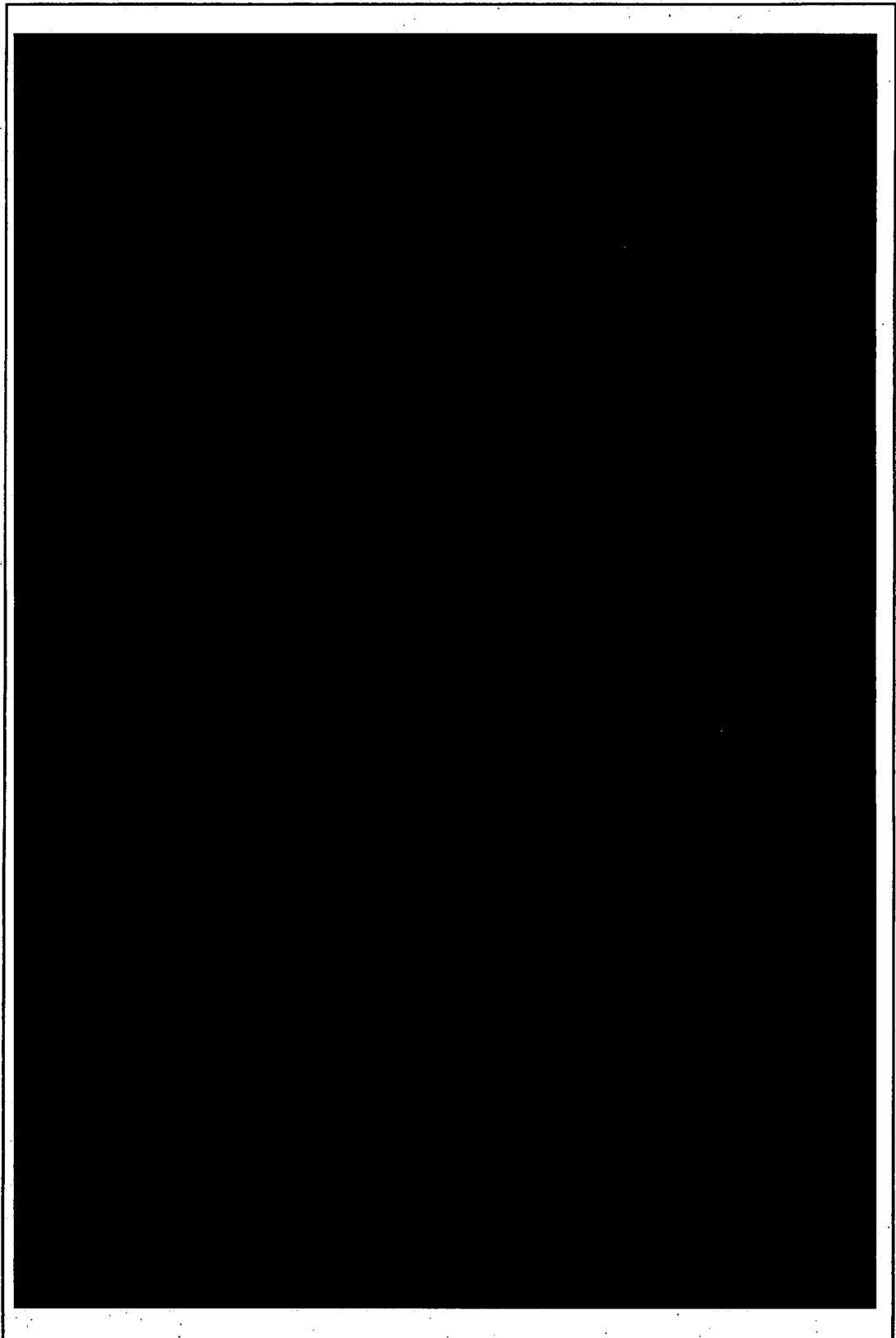
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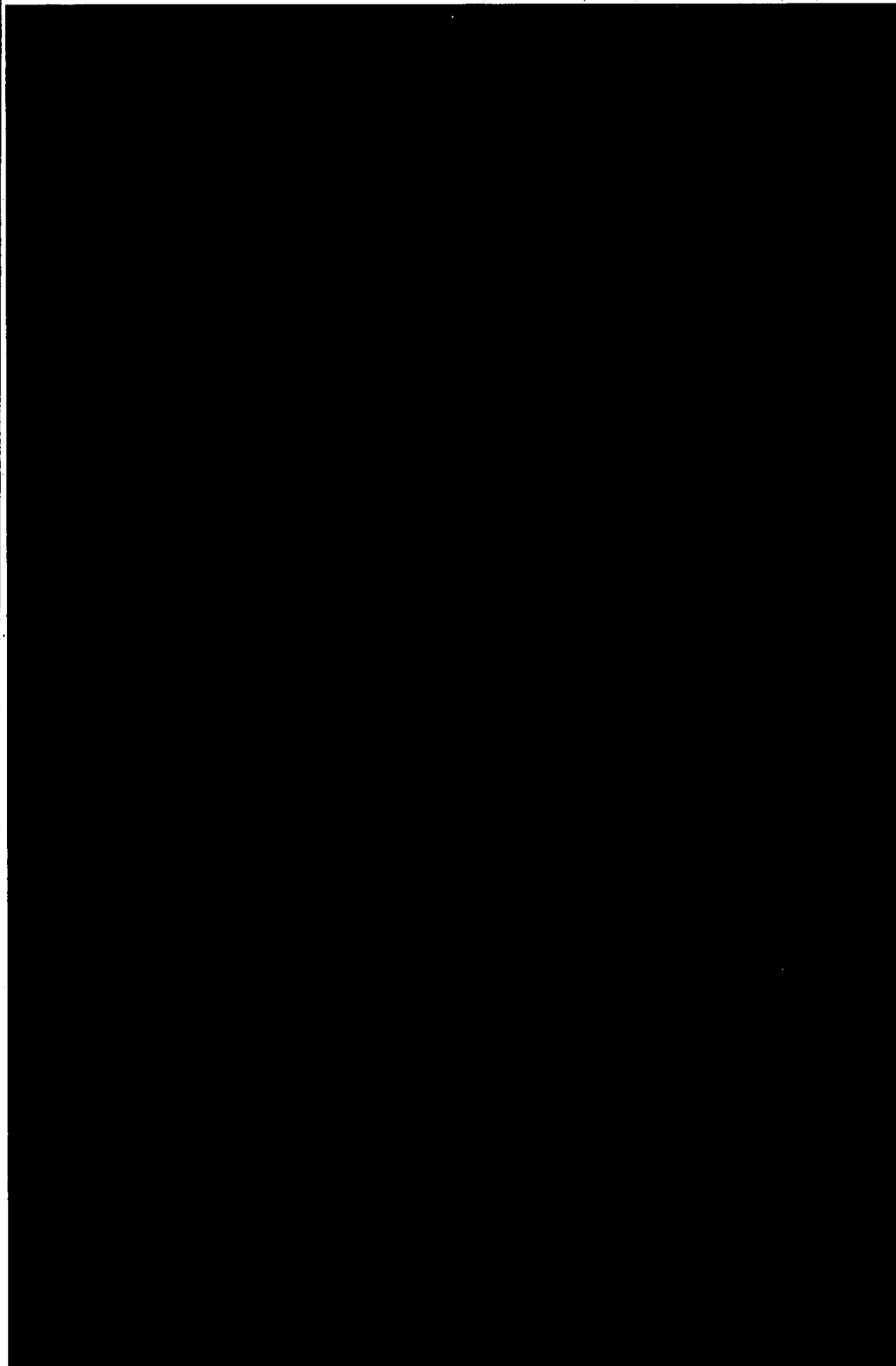
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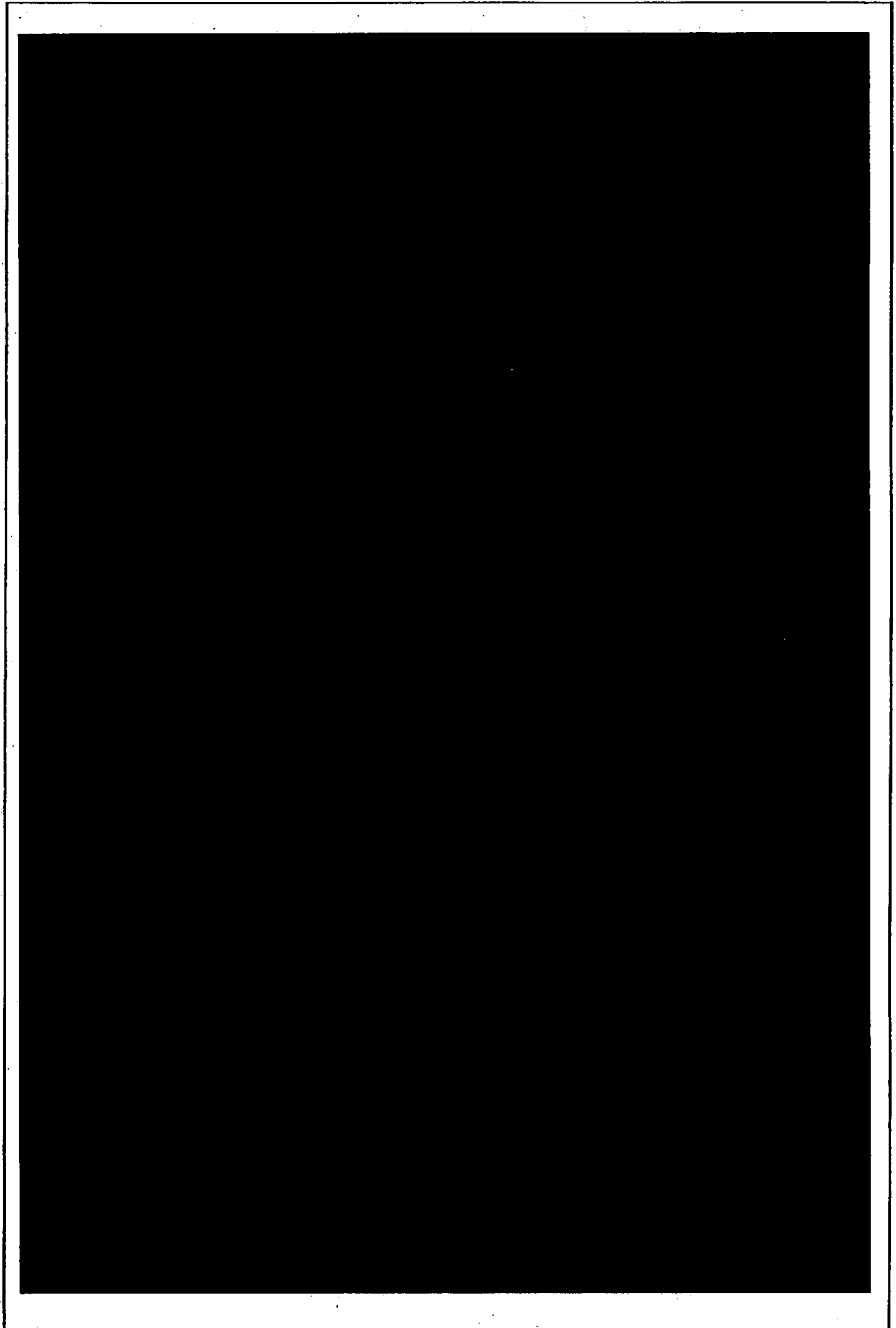
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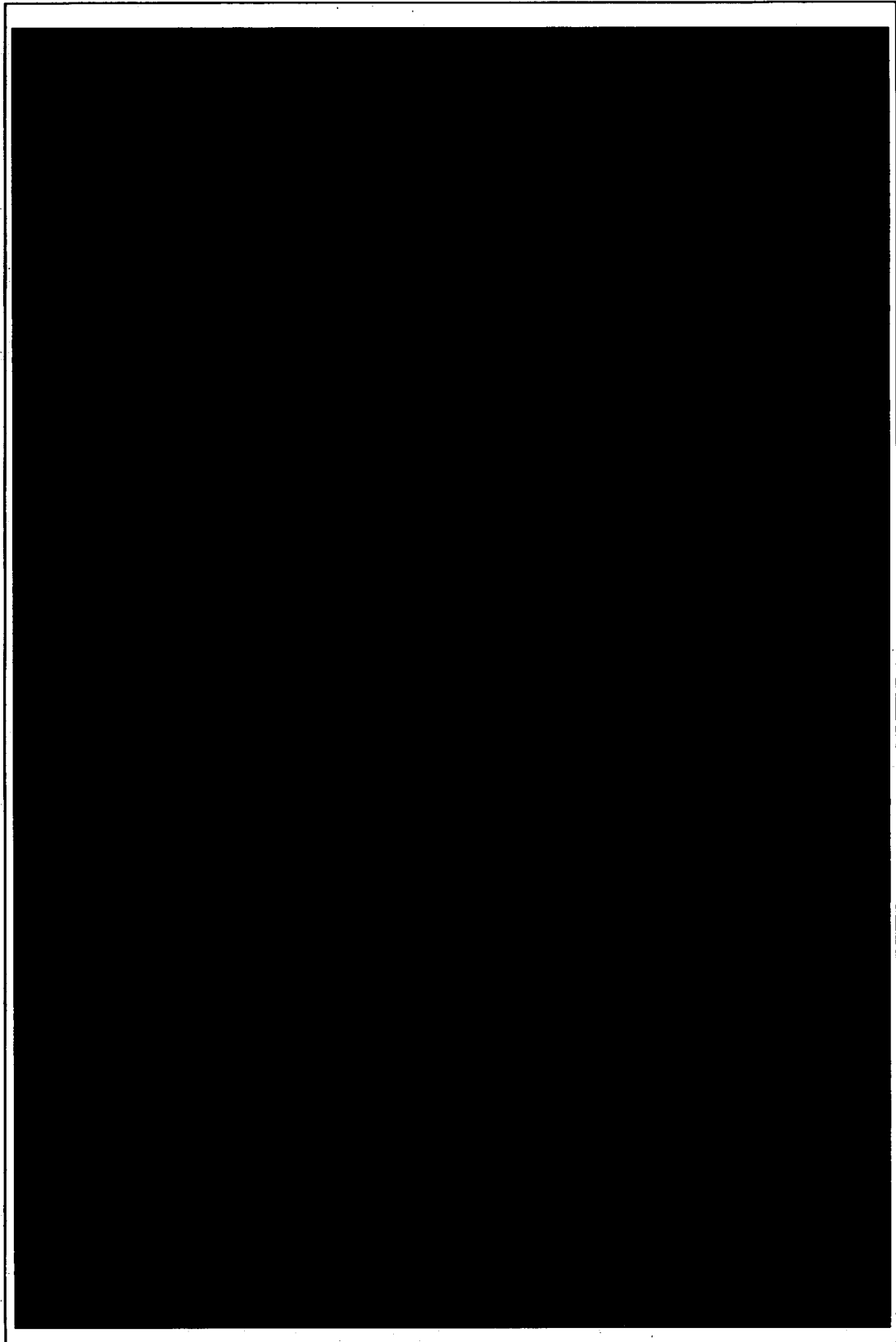
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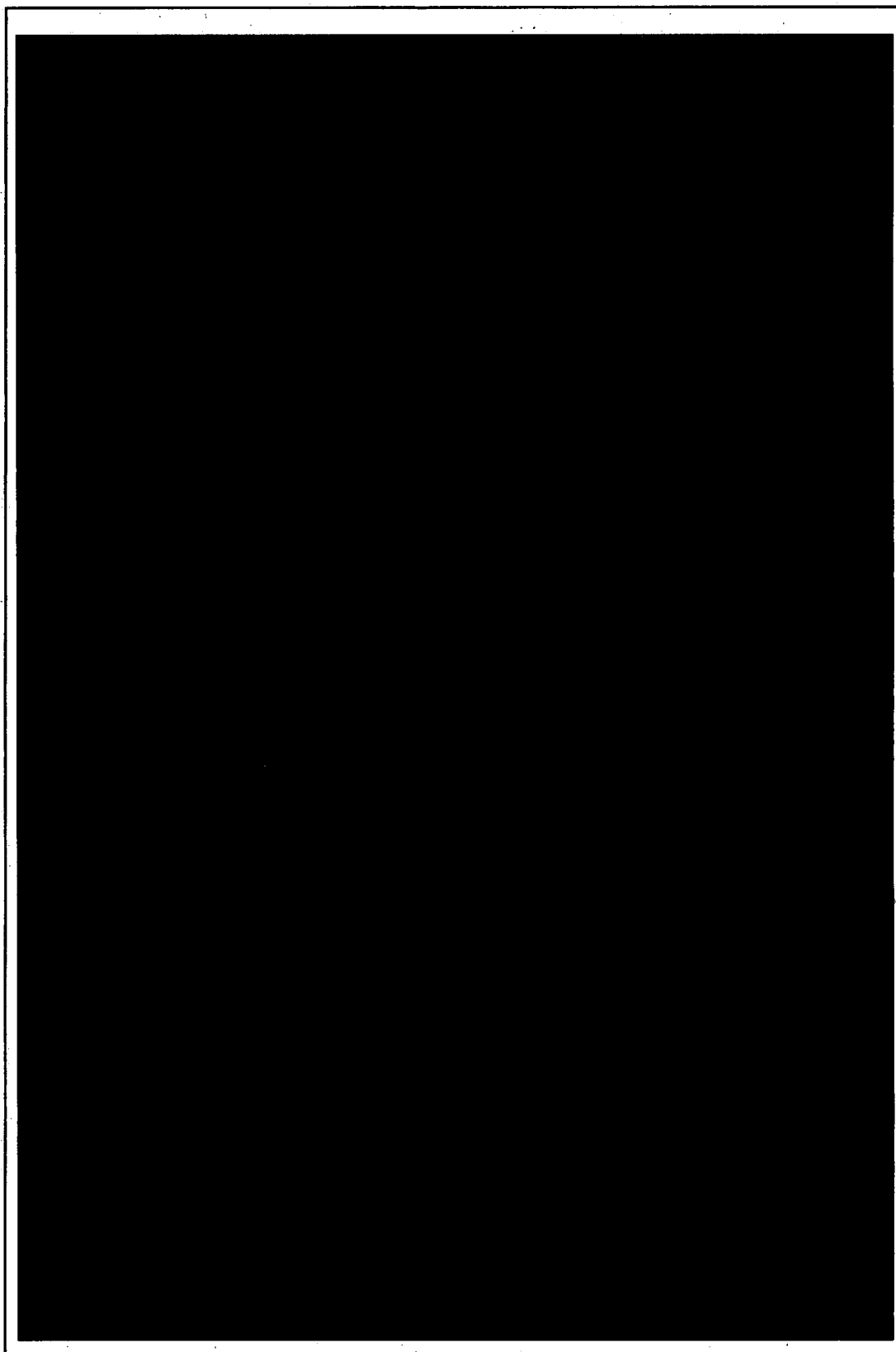
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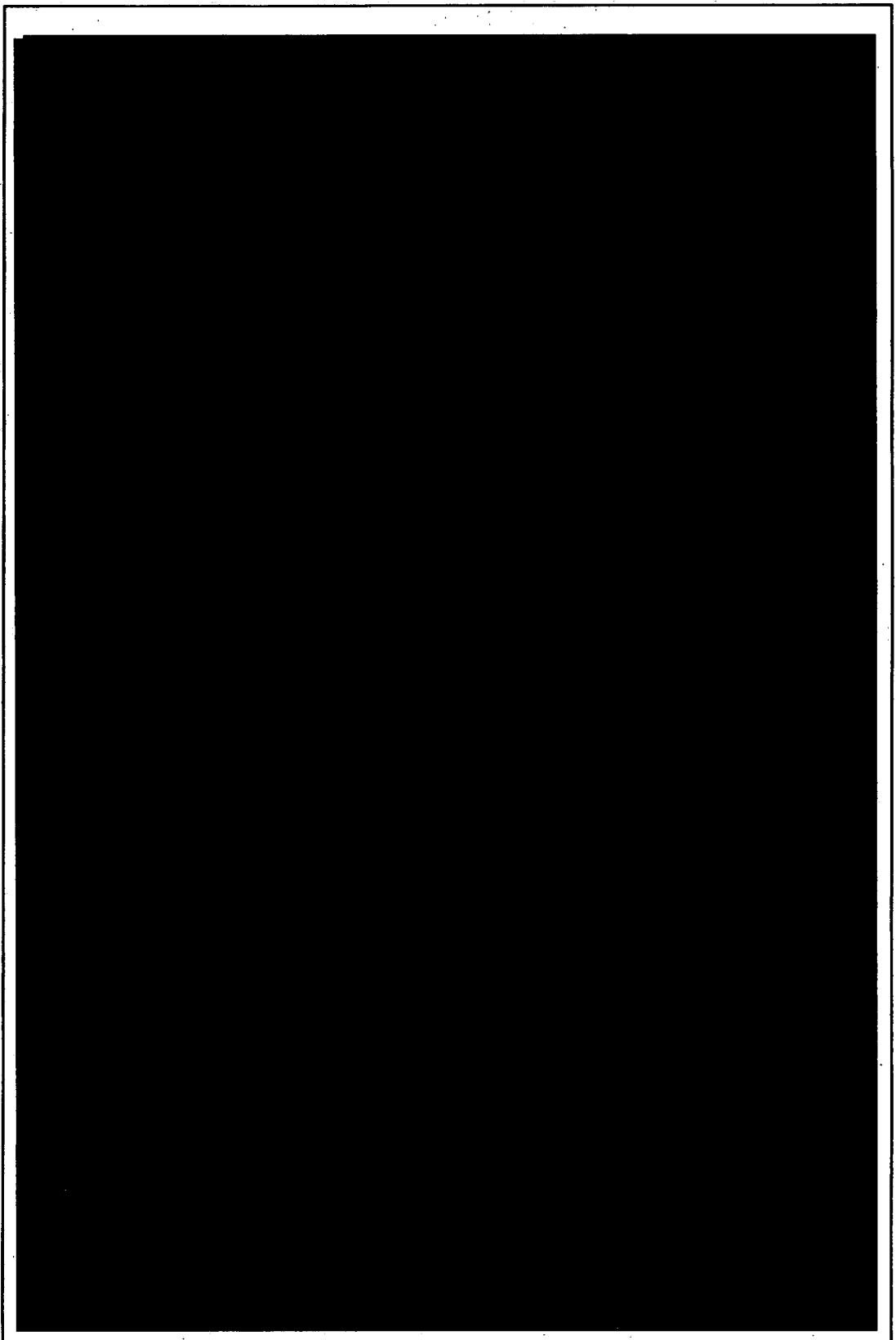
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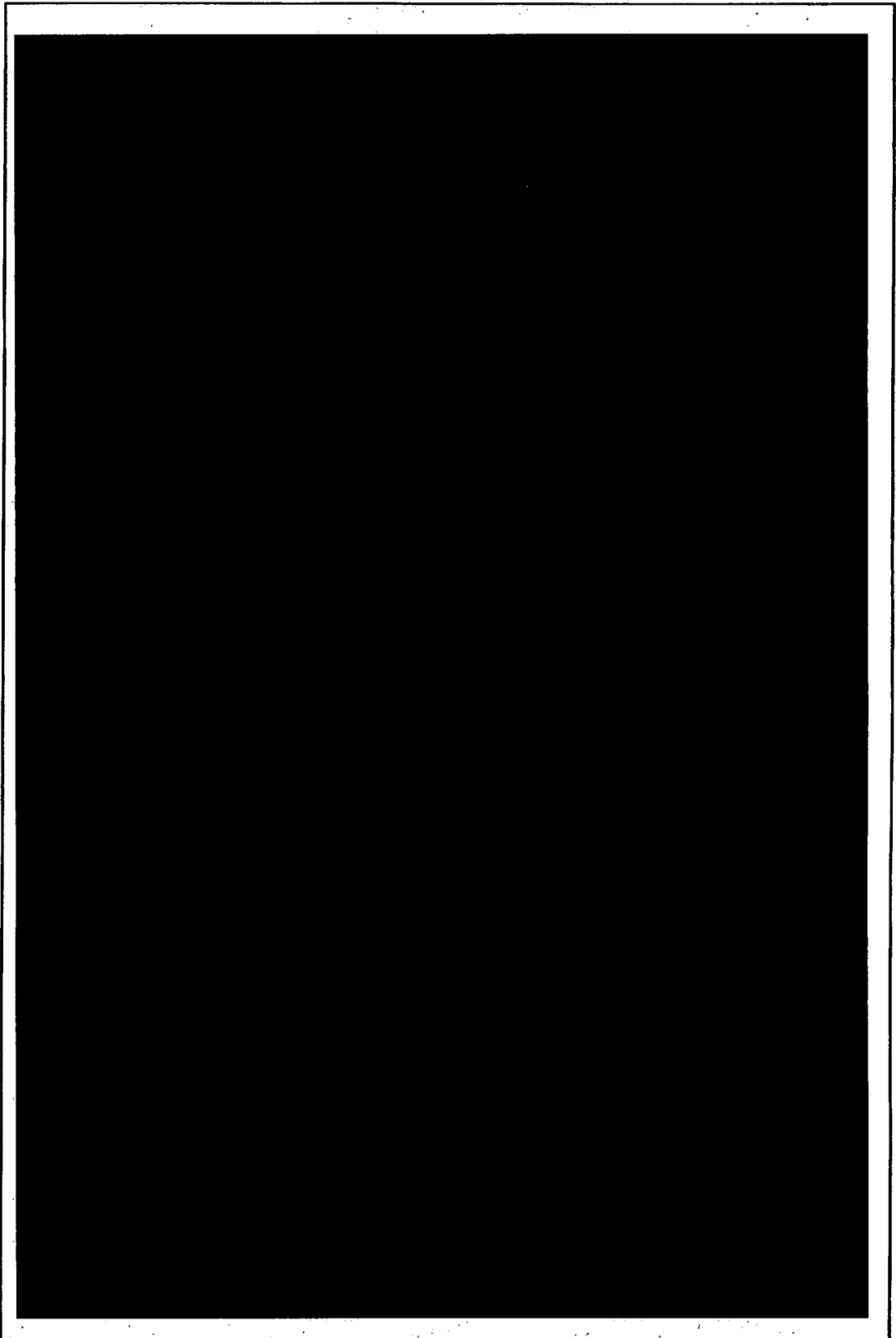
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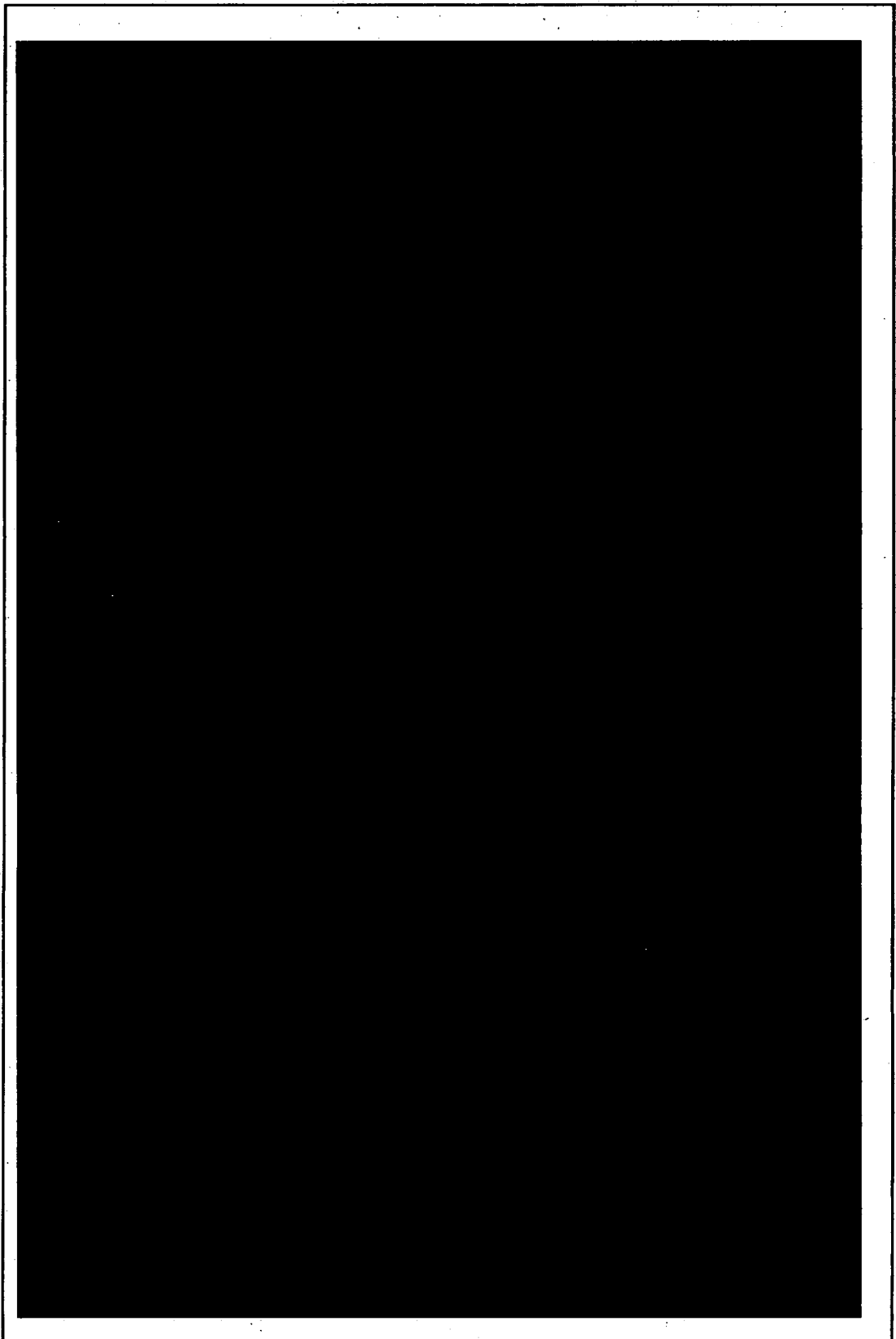
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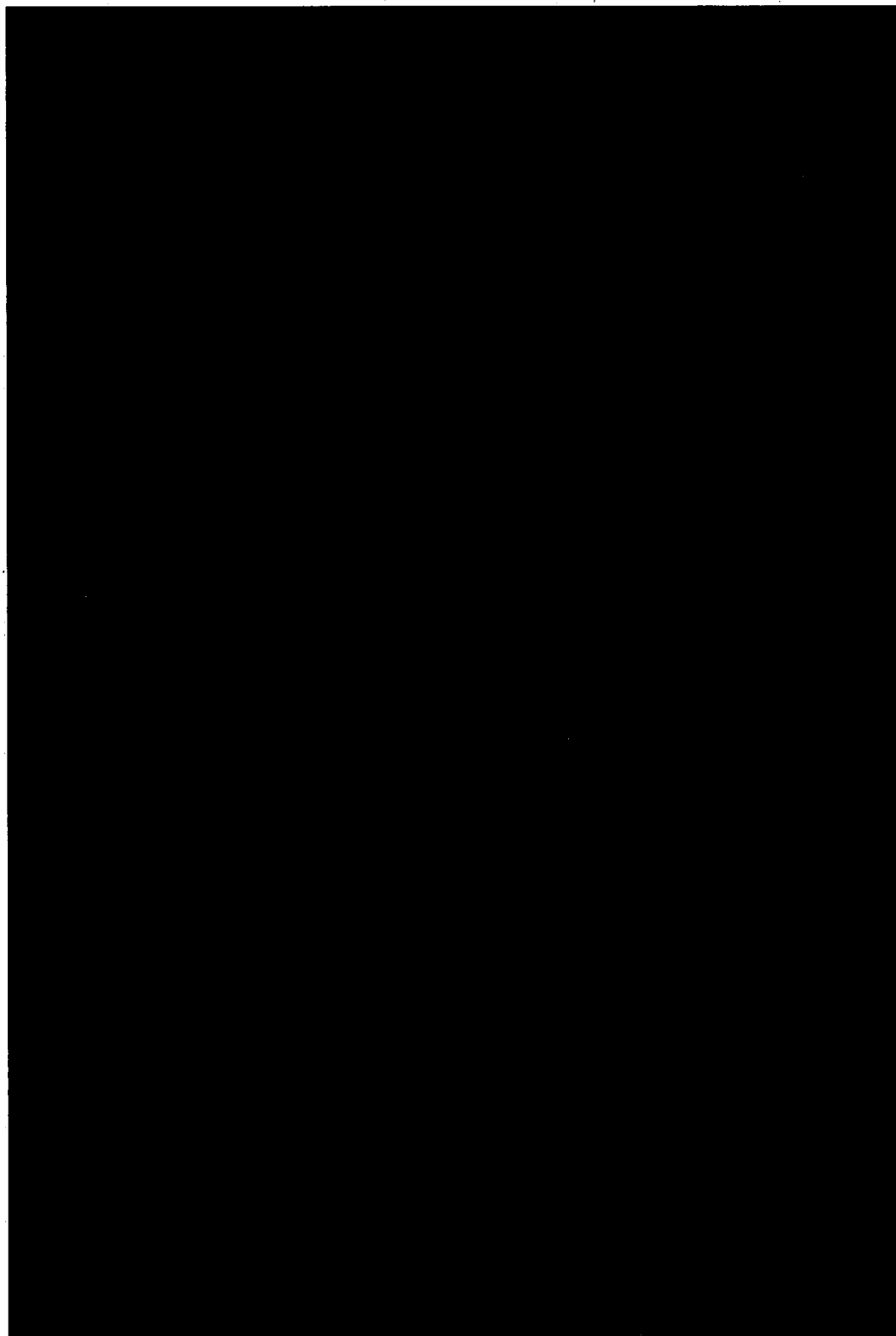
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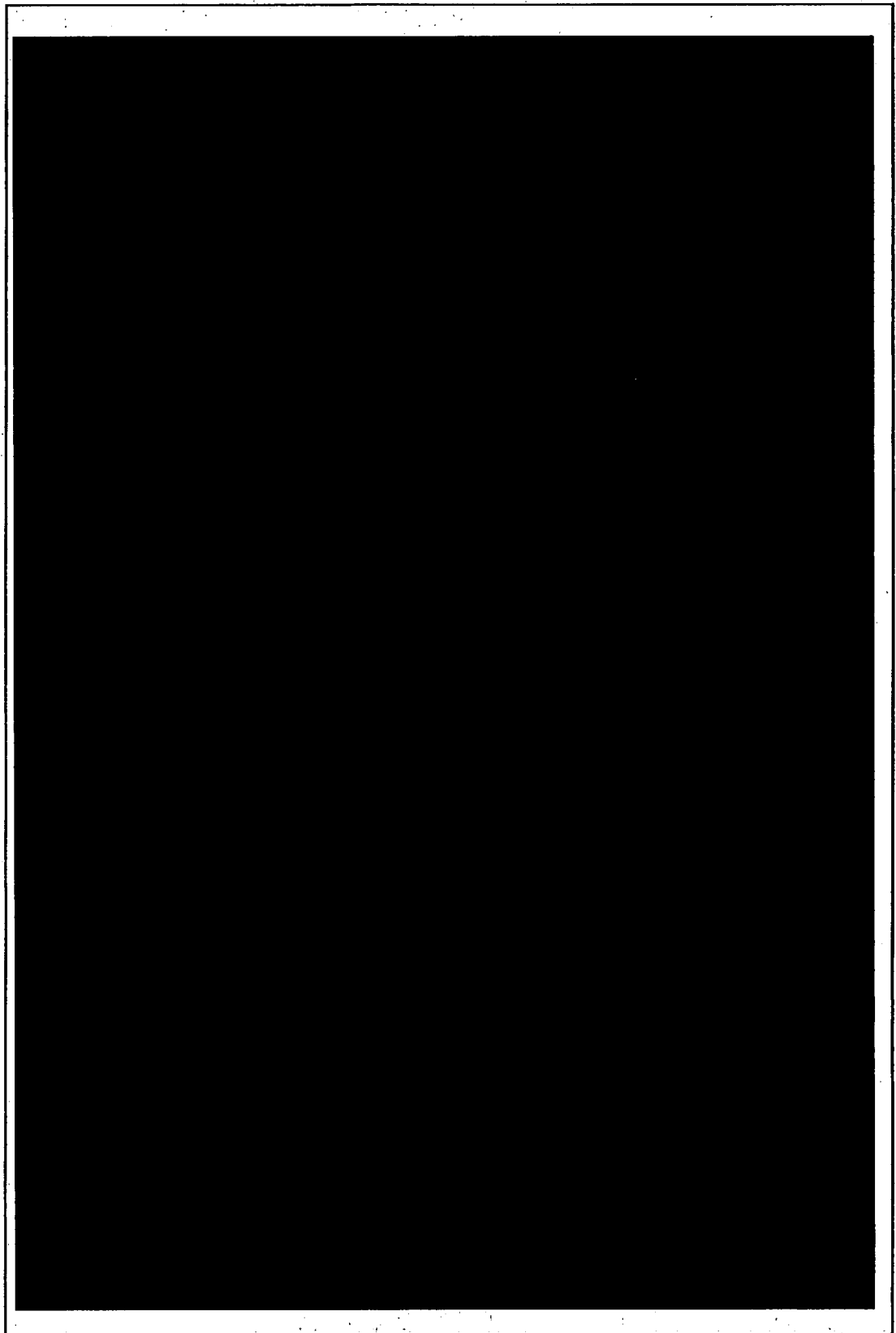
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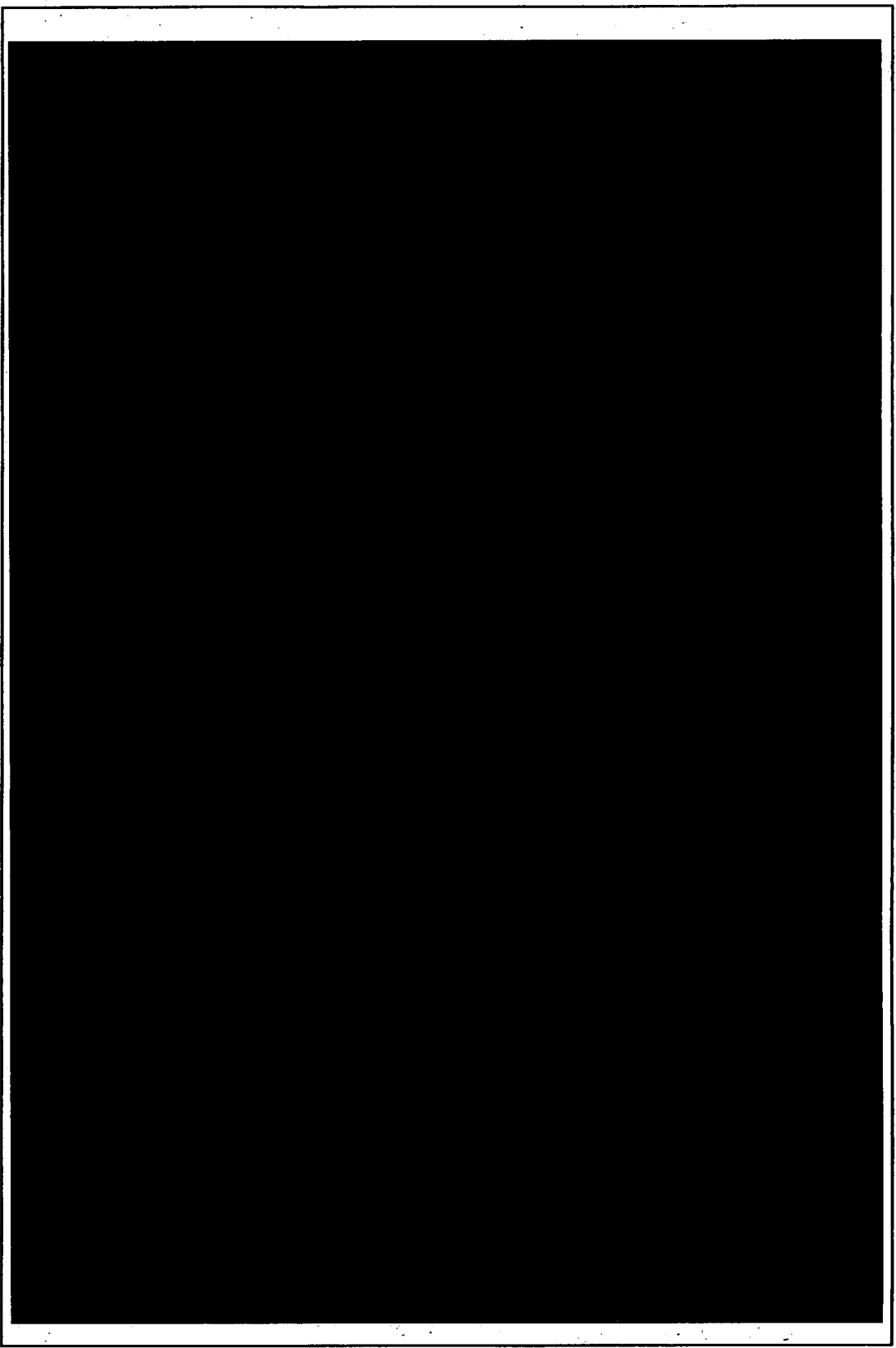
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1 if you just let it heat by itself.

2 Q. Did it create any changes in the brittleness of
3 the product?

4 A. It can.

5 Q. Okay. So, that's why some of the particulars
6 are critical because if you heat it too fast, it becomes
7 too brittle?

8 A. That's correct.

9 Q. Right?

10 A. That's correct.

11 Q. All right. So, that is a trade secret. Now as
12 you've described it, that's the trade secret, correct?

13 A. Correct.

14 Q. Thank you. You said, "When we developed this
15 Exhibit 3" -- I added the Exhibit 3. I see the title up
16 at the very top that says, "Trade Secrets-Century-Board
17 [Tech-03-CP:Secrets-list-inventions-16Sep02]Excel."

18 I take it the "Excel" refers to a Microsoft
19 product format that was used?

20 A. Yes.

21 Q. Thank you very much. And it also has
22 11-May-04. Have I read those correctly?

23 A. Yes.

24 Q. All right. Did you help in the development of
25 this list on May 11th, 2004?

1 A. The list wasn't developed in May 2004.

2 Q. This list as it appears in the printout came
3 off an Excel software that was downloaded May 11, 2004,
4 correct?

5 A. That's correct.

6 Q. Okay. And did you help in the development of
7 the list prior to that day?

8 A. Yes.

9 Q. Okay. And did it come off of your computer, a
10 computer of yours? I'm not asking whether it came off a
11 floppy of somebody else, but did it come off of your
12 computer and printed out?

13 A. I don't know.

14 Q. Okay. But you had the information. And did
15 you add to it or give more information? Did it start
16 out -- did you create it, this list?

17 A. I don't know who started it. I don't remember.

18 Q. How did it come to be in the format that it is
19 today before us?

20 A. Between Zack Taylor and me and, I believe, John
21 Taylor. Since we were working on Zack's employment
22 agreement and this was going to be attached, we three
23 together somehow decided what this list should be, what
24 format it should be, and what should be in it. Who
25 actually started the list, I don't recall. The name

1 that you read off a minute ago --

2 Q. Trade secrets Century-Board?

3 A. That doesn't sound like the way I do things.

4 Q. Okay.

5 A. I don't usually write things with brackets
6 around them, anyway, in title, so it looks like someone
7 else, at least, was involved in typing this.

8 Q. Okay. Do you know what "Tech 03CP" refers to?

9 A. I believe there's a -- there was a subdirectory
10 in the computer, my computer, called something like
11 that. I don't think -- again, I wouldn't use "Tech
12 03CP," but I had subdirectorys that were sort of with
13 that kind of name.

14 Q. And "CP" refers to Century Products?

15 A. I assume so, yes.

16 Q. So, would that have been -- based on that
17 nomenclature as the identifier in this document, do you
18 believe this was, at least, at some time in the
19 directory of your computer at Century Products?

20 A. Or John Taylor's or Zack Taylor's. All three
21 of us were there and had computers.

22 Q. Century Products computers?

23 A. Yes -- well, I think Zack Taylor had his own
24 computer. Yeah, Zack Taylor had -- I don't think he
25 used company computers. I think he used his own

1 computer.

2 Q. In "Secrets-list-inventions-16-Sep02," the 16
3 September '02, is that of any significance in the
4 creation of this list?

5 A. I believe that's when this list was started.

6 Q. Okay. Thank you. And then is there any
7 significance in the date of May 11th, '04?

8 A. Yes. That I recognize.

9 Q. Okay. What is that?

10 A. That's the date that this file was called up
11 and printed.

12 Q. Okay. And that was printed in connection with
13 the lawsuit that you filed for preliminary injunction,
14 correct?

15 A. I don't know that. I just know the date it was
16 printed. I don't know what it was called up for.

17 Q. Okay. All right. You recall you filed a
18 lawsuit in June of 2004?

19 A. Yes.

20 Q. Okay. Now, when was the list finished? Is it
21 May 11th, 2004?

22 A. No. The list was finished when it was attached
23 to Zack Taylor's employment agreement. I don't know the
24 date of that agreement.

25 Q. Okay. All right. So, from the date of that

1 agreement when it's attached to it, until May 11th, 2004
2 there were no changes as you're aware of to the list,
3 correct?

4 A. That's correct

5 Q. All right. And do you have an independent
6 knowledge -- did you see this attached to Zack Taylor's
7 consultant agreement or employment agreement? What was
8 it?

9 A. I'm not sure what it was. It was one of those.

10 Q. His agreement. You actually saw it attached to
11 it?

12 A. I don't know if I actually saw it attached.

13 Q. Do you have any knowledge that this list was
14 actually given to Century Products prior to the time
15 that it appeared in your lawsuit?

16 A. Yes.

17 Q. Okay. Tell me about that. What's the basis
18 for that knowledge?

19 A. When this --

20 Q. The finished list.

21 A. Well, which is this list.

22 Q. Right. That's what I meant.

23 A. When this list was done, there was a lot of
24 discussion between Zack Taylor and me as to what should
25 be on the list, and we had discussions with John Taylor

1 also about how far do we go, how detailed do we get, and
2 he -- John Taylor was telling us to make it as complete
3 as we could, and it would be attached to Zack Taylor's
4 agreement to show what was prior to Century Products'
5 efforts. Something like that.

6 Q. John Taylor told you to be as detailed as
7 possible?

8 A. Yes -- no. He told me to not be detailed. He
9 said to be inclusive as possible.

10 Q. What did that mean?

11 A. Add as much as we could. Don't just put major
12 ideas, put all your ideas.

13 Q. Okay. All right. And how do you know that
14 once again -- that tells me that there was discussion
15 about it, but what about it actually being given to
16 Century Products? The finished list.

17 A. Well, the whole point of it was to give it to
18 Century Products. That was the point. John Taylor was
19 involved in it, in this work. We were doing it in the
20 facility. I don't actually remember seeing it stapled
21 to the agreement, but the whole point was to put it on
22 the agreement.

23 Q. So, you don't really know if it was actually
24 given to Century Products. Is that a fair statement?

25 A. No, it's not a fair statement.

1 Q. Okay. That's what I'm trying to find out. I'm
2 plumbing the depths now.

3 A. Okay.

4 Q. I want to know how you can sit there under oath
5 and say it was given to Century Products other than what
6 you've testified to thus far. Is there anything more?

7 A. I'm quite sure we showed this to John Taylor.
8 Maybe not the final version, but we certainly showed him
9 as we worked on it what we were doing to see if it was
10 correct, the way we were doing it.

11 Q. Okay. What did he say?

12 A. As I recall, I don't remember any objection.

13 Q. Did you -- are you saying that John Taylor told
14 you that tunnel oven for faster curing was an adequate
15 description of trade secret?

16 A. I'm not saying that.

17 Q. Okay. Are you saying that he and you -- or he,
18 you, and Zack Taylor discussed tunnel oven for faster
19 curing and that he told you that or words to the effect
20 that, "That's how I want you to describe trade secrets"?

21 A. No.

22 Q. Okay. In fact, you don't have any recollection
23 whatsoever of having a conversation with John Taylor or
24 being present when John Taylor and Zack Taylor discussed
25 that particular trade secret; tunnel oven for faster

1 curing, true?

2 A. True.

3 Q. Do you have -- of the trade secrets that we've
4 gone over thus far, do you -- the ones that you've
5 identified that are still trade secrets today, do you
6 have a specific recollection of a conversation with John
7 Taylor or in the presence of John Taylor and Zack Taylor
8 where any one of these continued trade secrets were
9 actually discussed in the context of the creation of
10 Exhibit 3 with John Taylor?

11 A. What I remember is we -- Zack Taylor or me
12 alone discussed and showed the list to John Taylor where
13 I believe he read some of the information and agreed in
14 some fashion that this was the right direction to do it,
15 the right way to do it.

16 Q. Okay. That was a -- not the finished copy,
17 that was a version, correct? A draft?

18 A. I don't remember which version or whether it
19 was indeed a final version. I don't know that.

20 Q. Okay.

21 A. I know that during the development of this list
22 and before it was finished, he did indeed see the
23 incomplete list.

24 Q. That would be before September 16th, 2002?

25 A. No. I don't know what that date means.

1 Q. I thought you indicated earlier that you
2 thought that date was contemporaneous with his
3 consultant or employment agreement.

4 A. Yes, correct.

5 Q. Okay. So, if it was -- this recollection you
6 have of meeting with John Taylor, is that before his
7 consultant agreement or employment agreement is
8 finalized with this attached to it?

9 A. It's before, yes.

10 Q. All right. So, it would be before September
11 16th?

12 A. I don't know what that date means.

13 Q. I'm having difficulty with that. I thought you
14 said that you thought that date means something.

15 A. The date does mean something. It is a date, I
16 believe, where this information -- let me back up. This
17 date either is the beginning of the documents being
18 created when they started the file, or it could be an
19 updated version of that file. I don't know what -- if
20 there was a prior one that had a different date. I
21 don't know that.

22 Q. Okay.

23 A. But it's certainly, I think, before the date
24 that Zack Taylor signed his employment agreement.

25 Q. Okay. All right. And that's the best you can

1 tell me on the date?

2 A. Yes.

3 Q. All right. And the best you can tell me of
4 conversations that you had with John Taylor is what you
5 testified to thus far, correct?

6 A. That's correct.

7 Q. You have no further memory other than what you
8 testified to thus far, correct? About this list.

9 A. Yes.

10 Q. Okay. Before we go further, I just want to ask
11 you there are some columns here, and one of them says
12 "For patent group together."

13 What does that refer to? Do you see that right
14 at the top there?

15 A. Yes, I do.

16 Q. It's got numbers, and I don't know what that
17 means.

18 A. I believe this was our attempt to plan out a
19 project, which was going to be coming, which was we're
20 going to file patents, and this was to decide what
21 things could go together in a patent. All the "2"s
22 would go together in one patent. All the "3"s would go
23 together in one patent. All the "1"s.

24 Q. Okay. Let's deal with the "2"s and the "3"s
25 and the distinction between the two of them. Would the

1 "2"s that are indicated across from what are listed on
2 Exhibit 3 as a trade secret relate to a composition or
3 material patent as opposed to the "3"s relating to an
4 apparatus patent that was anticipated?

5 A. No.

6 Q. Okay. What is the -- is there any further
7 distinction between the "2" and the "3" other than
8 they're in different patents? Like time. One would be
9 first, one would be subsequent, or they have no relation
10 to time?

11 A. They don't have anything to do with time.

12 Q. Okay. Fine. There's another category that
13 says, "Importance." Do you see that?

14 A. Yes.

15 Q. And it has "a, a, a, b" on the first page, and
16 then it has the same on the second page for some of
17 them. What is the significance of that if any?

18 A. I'm going to have to speculate because I don't
19 quite --

20 Q. Whatever you understood it to be. One of the
21 things I didn't admonish you about, and I want to let
22 you know about it now. We don't like guesses as
23 lawyers. Lawyers really don't want you to speculate,
24 but here's the pluming of the depths distinction. You
25 have no reason to believe how much money I'm carrying in

1 my pocket right now, that would be just a pure guess on
2 your part, but if I were to ask you the dimensions of
3 this room, you might be able to give me a pretty good
4 idea based on your experience of what the dimensions of
5 this room are. You might not know it, but you might be
6 able to give me information on it.

7 That's the difference between speculating and
8 guessing versus trying to make an informed decision or
9 give us information plumbing the depths of what you know.
10 If you have an understanding of what this means in the
11 context of the document, I'd like to know what that is.
12 If you don't, if you're just guessing, you can tell me
13 that, and a lot of times people say that by, "I don't
14 know."

15 So, do you have an understanding?

16 A. It could be a couple of things, and I'm not
17 sure which it is.

18 Q. Why don't you tell me what you think it could
19 be.

20 A. The first, which is most important to patent,
21 is: if you're going to do patent, which ones are most
22 critical to the patent, and the other could be which is
23 most important as a trade secret to Century-Board. And
24 I'm not sure -- and actually there's a third one which
25 could be in our actual technology in Century-Board; what

1 is most important to us actually in the business and the
2 technology.

3 Q. Okay. All right.

4 A. One of those three I'm sure is the answer.

5 Q. All right. Now, we stopped with "Tunnel oven
6 for faster curing." Are there other trade secrets as of
7 today?

8 A. We stopped at tunnel oven?

9 Q. Yeah.

10 A. Unfortunately, yes.

11 Q. Okay. I'm just having a barrel of fun.
12 Anyway, go ahead.

13 A. The next one.

14 Q. "Continuous monitoring of flex -- "

15 A. Modulus.

16 Q. "Modulus on-line"?

17 A. Yes.

18 Q. Okay. Thank you very much.

19 MR. TREMBLAY: Modulus is spelled,
20 m-o-d-u-l-u-s.

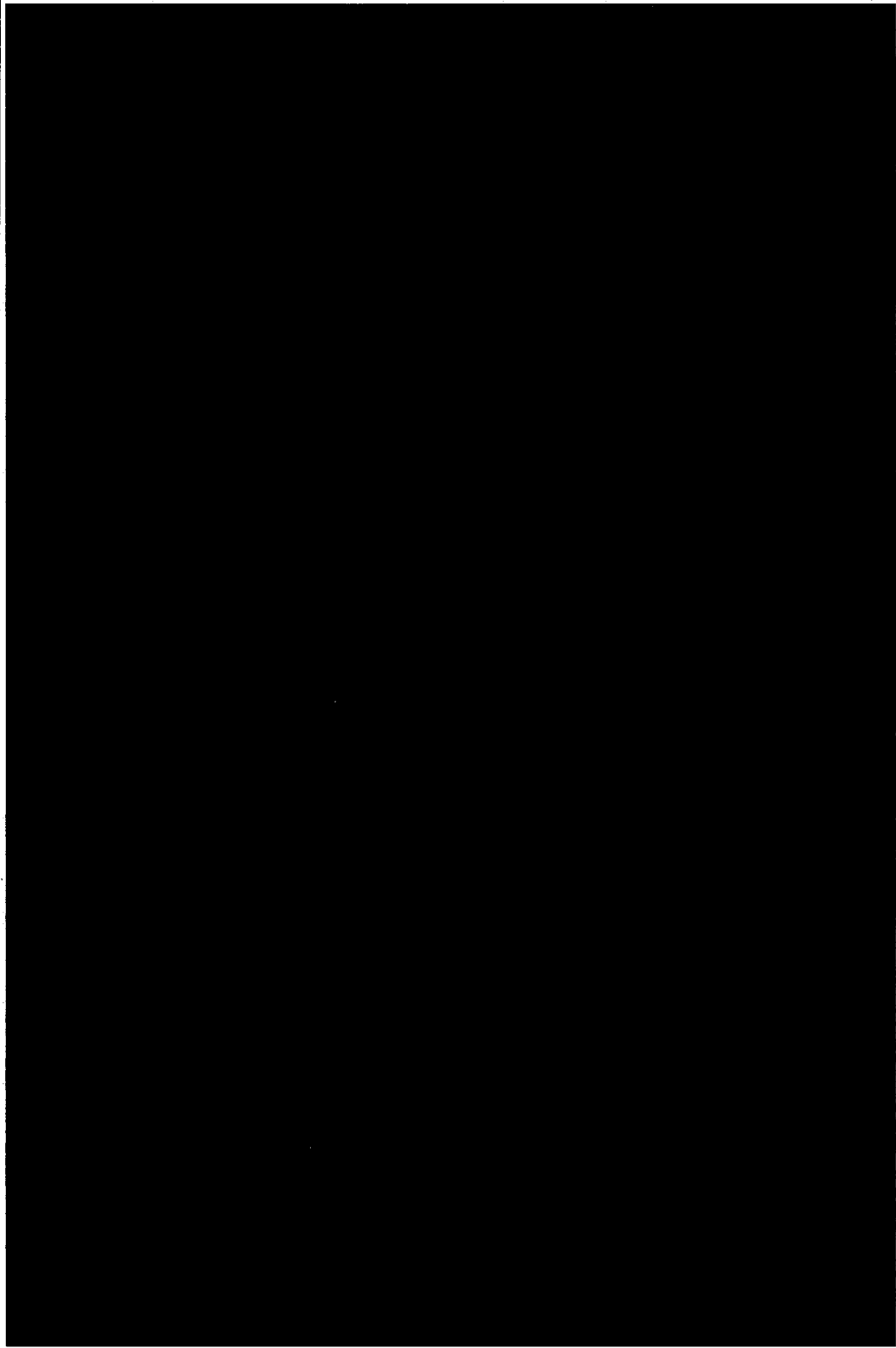
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22 Q. Is that correct?

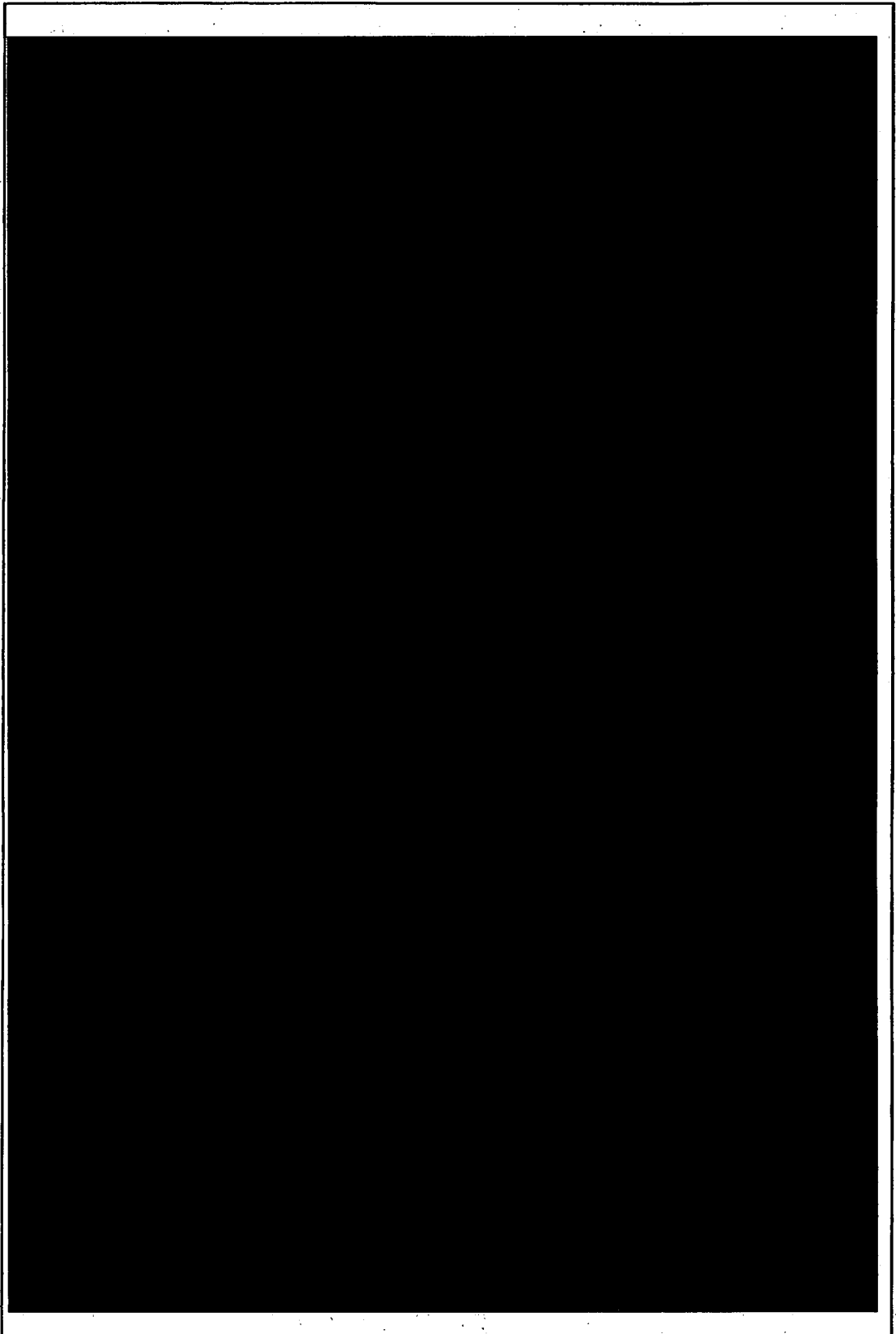
23 A. Yes.

24 Q. Okay. My eyesight starts to get bad down that
25 fine. This is truly the fine print, and it wasn't

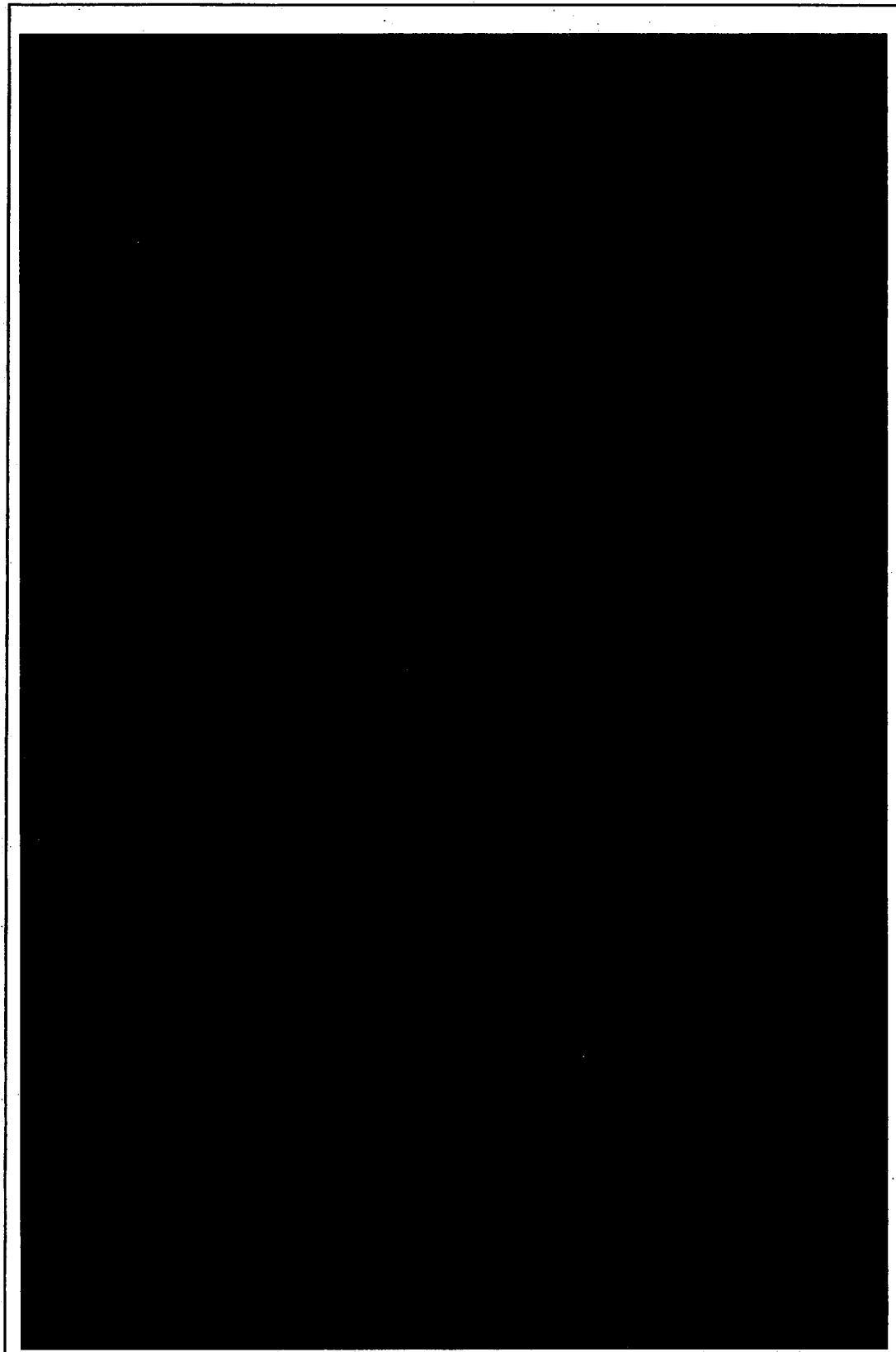
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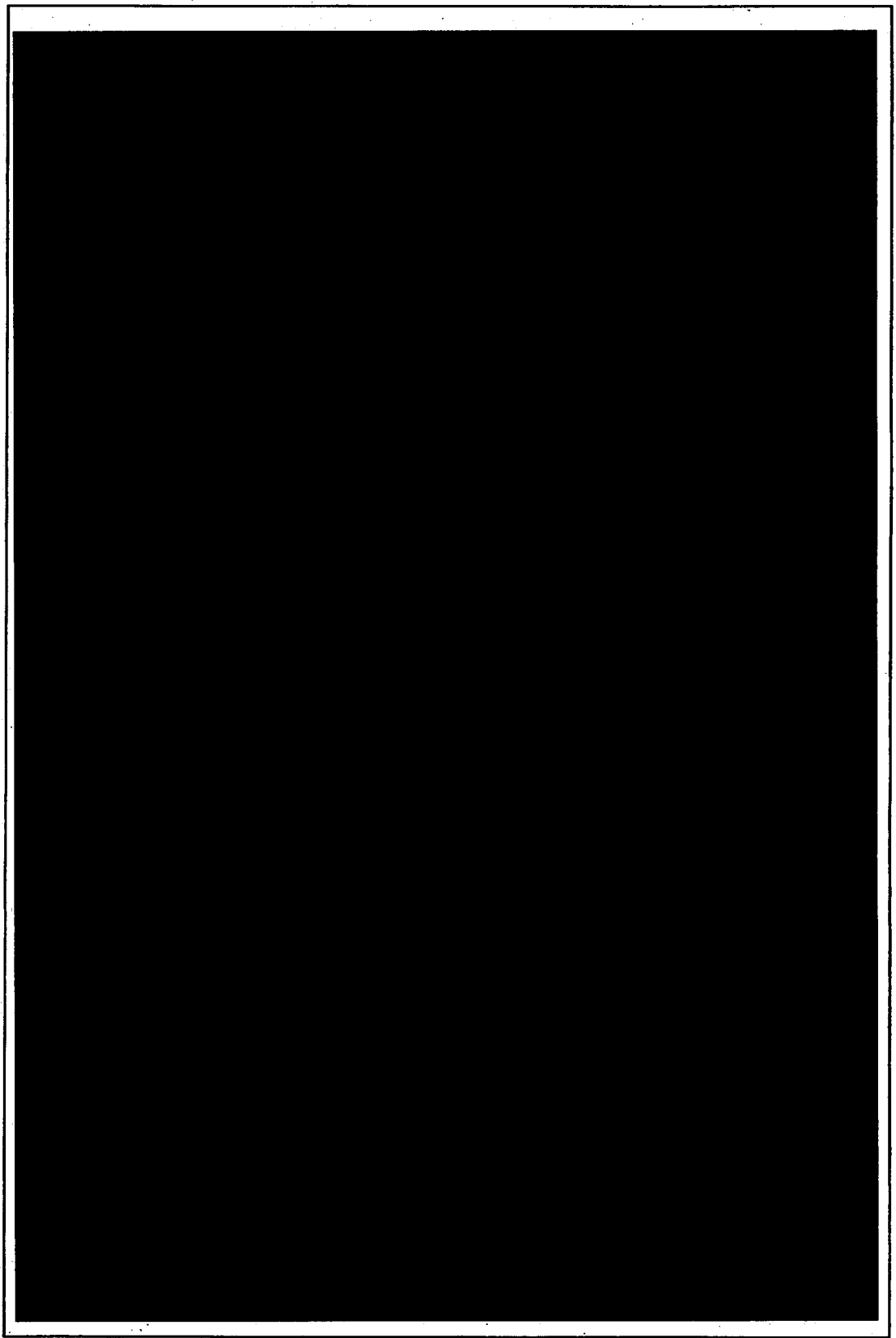
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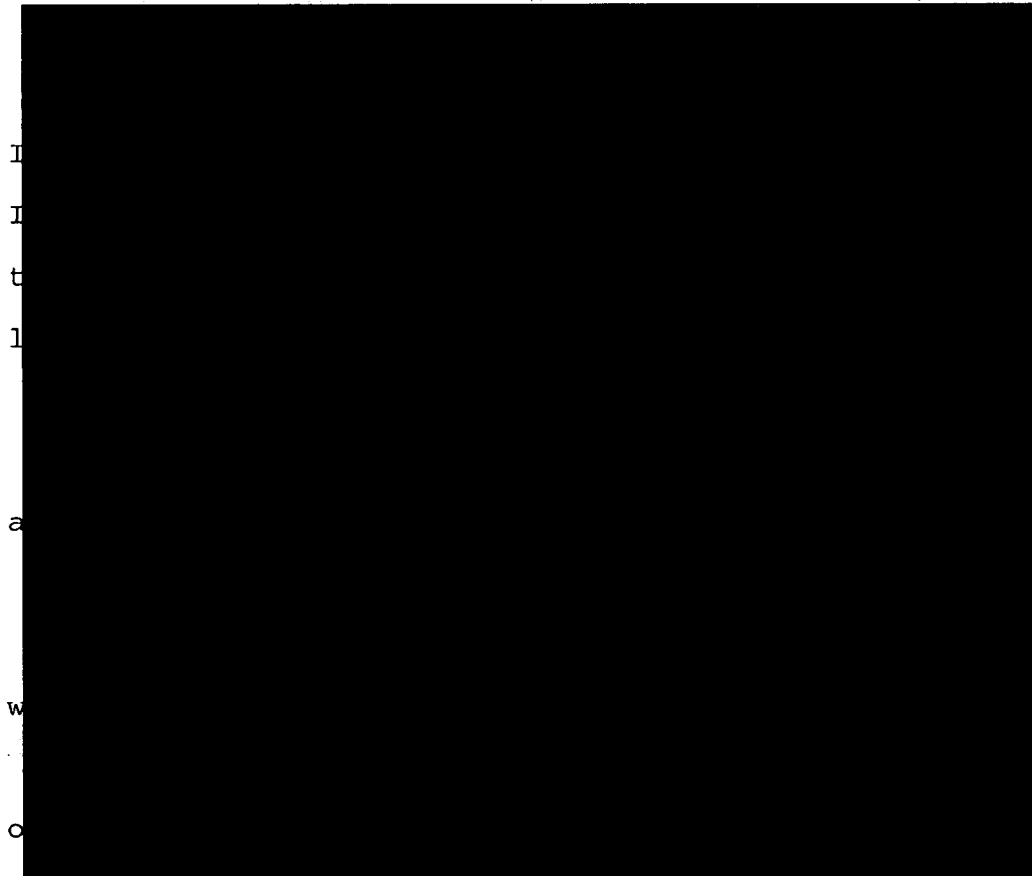
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Q. Okay. And what kind of things -- when you were developing this trade secret, what product was it in connection with?

A. There were several. Utility pole cross arms, utility poles, decking lumber, fence posts, and others.

Q. Okay. Any particular part of the decking lumber? Was it the post?

A. It's the post, but it's also the decking itself. There are some advantages to having hollow lumber and some disadvantages, but there are advantages.

Q. Did you ever produce a commercially saleable

1 product from your New York plant in connection with the
2 use of this trade secret?

3 A. I'm having a little trouble with the word
4 commercially -- whatever you said.

5 Q. Did you ever sell a product for profit?

6 A. No, we did not sell a product.

7 Q. When I say, "commercially saleable," I mean a
8 product that you could sell for profit in the market.

9 A. Could sell.

10 Q. Well, that you did sell.

11 A. Big difference.

12 Q. I understand. I would say, "Did you," when I
13 used that term. That's what it means, that it could
14 have been, and then I'll qualify it by saying, "Did
15 you?" That's what I meant.

16 A. Could have been, the answer is yes because we
17 made such a product.

18 Q. Right. But you never did sell it?

19 A. We never sold it.

20 Q. Okay. Was there a reason why you didn't sell
21 it? An internal reason as opposed to external market
22 reason.

23 A. The reason was funding. We could not get
24 enough money to produce the product commercially.

25 Q. Okay. So, you had the apparatus to produce the

1 product?

2 A. In lab scale. We needed a commercial plant in
3 full scale to be able to make it commercially.

4 Q. And lab scale, that was box molds?

5 A. Essentially, yes.

6 Q. Okay. For all the trade secrets that are
7 listed on Exhibit 3 that you contend in your testimony
8 today were developed by you and Zack Taylor or you and
9 Zack Taylor, did it ever result in a production of a
10 commercially saleable product that made profit for any
11 company of yours? Let's start with that.

12 A. Yes.

13 Q. Okay. Was that before Century Products?

14 A. Yes.

15 Q. Okay. And was that profit for Century-Board?

16 A. Yes.

17 Q. Okay. And did the profit for Century-Board get
18 derived from the actual sale of the product by
19 Century-Board, not by a licensee of Century-Board?

20 A. Yes.

21 Q. Okay. And what were those products?

22 A. Park bench slats, mailbox posts, shipping
23 container rub strips.

24 Q. What are those?

25 A. When you have big shipping containers, at the

1 bottom inside they put wood strips, and then they put
2 our strips.

3 Q. Right. Okay.

4 A. That's all I can think of at the moment.

5 Q. All right.

6 A. Can I clarify something?

7 Q. Yeah. Go ahead.

8 A. As I look at this sheet again, Exhibit No. --

9 Q. 3.

10 A. 3. I believe that document had several uses.
11 It wasn't just for Zack Taylor's employment agreement.

12 Q. What was its other use?

13 A. I believe that we also did use it for the
14 patent planning. I think that's where these numbers
15 came from, and they may not have been on Zack Taylor's
16 agreement, the whole thing. Maybe it was off in other
17 words. Does that make sense?

18 Q. Okay.

19 A. I mean it may be that what we're looking at is
20 not the one that was attached. This may be a broadened
21 version.

22 Q. Okay. Any other purpose?

23 A. No. I think that was it.

24 Q. Okay. Of all the products that you've
25 identified that Century-Board used any of the trade

1 secrets combination thereof to make for profit, were
2 they made by using the mold box method?

3 A. No.

4 MR. JULANDER: You want to read that back.

5 MR. TREMBLAY: Go ahead.

6 (The record was read)

7 THE WITNESS: I need to clarify something in
8 that question.

9 BY MR. TREMBLAY:

10 Q. Go right ahead.

11 A. I think you mean -- when you say, "the mold box
12 method," you're referring to mixing stuff in buckets and
13 pouring it into molds?

14 Q. I am.

15 A. Okay. Then the answer to that is no.

16 Q. Okay. How were they made?

17 A. Some of the products were made by extrusion
18 into molds.

19 Q. Okay. All right. So, whether it was by bucket
20 or extrusion, all the products were made by mold method,
21 correct?

22 A. That's correct.

23 Q. And that would be mold box method, correct?

24 A. Correct.

25 Q. Okay. And that is taking the composite

1 material and pouring it or placing it into a forming
2 unit where it then cured, and the product resulted,
3 correct?

4 A. Correct.

5 Q. Okay. Was that an inhibitor to profit ability?

6 MR. JULANDER: Objection. Vague and ambiguous.

7 BY MR. TREMBLAY:

8 Q. Do you understand what I mean?

9 A. I understand what you mean, but --

10 MR. JULANDER: If you understand, you can
11 answer his question.

12 THE WITNESS: Pardon?

13 MR. JULANDER: If you understand it, answer his
14 question.

15 BY MR. TREMBLAY:

16 Q. Did it inhibit profitability? Having that kind
17 of methodology to make the product.

18 A. That's a complex question.

19 Q. It sure is. You can explain your answer. Yes
20 or no, and then you can explain it.

21 A. Making those products were profitable. We were
22 looking for capital to make higher volumes with a more
23 automated process, but the profitability was also not
24 just on the costs and the speed of getting stuff out of
25 the factory. It also had to do with the market. So,

1 you may have higher production, but you can't sell it,
2 then it's not profitable.

3 So, it's tied to the markets, and some of the
4 markets we chose were purposely very small. Mailbox
5 posts; it was not a big market. We made money making
6 them at a small volume in box molds. Going to an
7 extrusion process with a very expensive forming unit
8 might have put us out of business, so it wasn't a simple
9 answer of if we had a continuous process, it would be
10 better.

11 Q. All right.

12 A. But generally, that's true.

13 Q. Right. But you could -- you would agree that
14 you couldn't enter the decking market for synthetic
15 lumber without having higher volume capability, correct?
16 Than what you were experiencing at the New York plant.

17 MR. JULANDER: Can you read that back, please.

18 (The record was read)

19 MR. TREMBLAY: Let me withdraw it. There's a
20 word that was missing.

21 BY MR. TREMBLAY:

22 Q. The question is: you would agree that the
23 production that you were experiencing by the methods
24 that you were using at the New York plant wouldn't hit
25 the volumes that would be desirable for synthetic lumber

1 decking, correct?

2 A. No, not correct.

3 Q. Okay. You think that you could meet volume

4 numbers for synthetic lumber decking with a bucket mix

5 or extruder into box molds?

6 A. Yes.

7 Q. Okay. Did you ever do any studies on that?

8 A. Yes.

9 Q. Do you have those studies?

10 A. Probably.

11 Q. Where would they be?

12 A. In the idea books.

13 Q. Okay. When did you perform those studies?

14 Once again, before or after?

15 A. Before Century Products.

16 Q. Okay.

17 A. And after Century Products.

18 Q. Okay. All right.

19 A. Both.

20 Q. How about while you were at Century Products?

21 A. I might have done a calculation for other

22 clients while at Century Products.

23 Q. But you would agree that while you were at

24 Century Products, that methodology for -- the goal at

25 Century Products was not to use that methodology for

1 commercial production?

2 A. Well, not exactly.

3 Q. Why don't you explain that.

4 A. The idea of using the automatic continuance
5 process certainly was what we were after for decking,
6 but there were other products that we had discussed at
7 Century Products that could have been made by box molds
8 on a semi-automated process that could be quite big in
9 volume.

10 Q. Okay. But was that ever a purpose of Century
11 Products? To make products in box molds while you were
12 there.

13 MR. JULANDER: Objection. Vague and ambiguous.

14 BY MR. TREMBLAY:

15 Q. For commercial exploitation.

16 MR. JULANDER: Same objection.

17 BY MR. TREMBLAY:

18 Q. Wasn't it decking that was the main purpose?

19 A. No.

20 Q. Okay.

21 A. I don't think so.

22 Q. All right. Have you ever manufactured decking
23 prior to Century Products?

24 A. Yes.

25 Q. And did you ever sell it for commercial use

1 with profit -- for profit?

2 A. Yes.

3 Q. So, you manufactured decking prior to Century
4 Products, correct?

5 A. Oh, yes.

6 Q. And you sold it out and made a profit on it?

7 A. Well, profit -- the answer is yes.

8 Q. Okay. When you met John Taylor, did you tell
9 him that? That you had done that.

10 A. Yes.

11 Q. Did you provide him any documentation to be
12 able to support that?

13 A. Yes.

14 Q. Do you still have that documentation?

15 A. Yes.

16 Q. Where would that be located?

17 A. It's in his business plan for Century Products.

18 Q. So, it became part of the Century Products
19 business plan?

20 A. Yes.

21 Q. Who did you sell it to?

22 A. We sold -- that's what I'm not quite sure of;
23 if we sold it to the City of New York or to a contractor
24 for the City of New York, but it ended up in the City of
25 New York.

1 Q. Okay. And they used it in decking, correct?

2 A. They used it in decking.

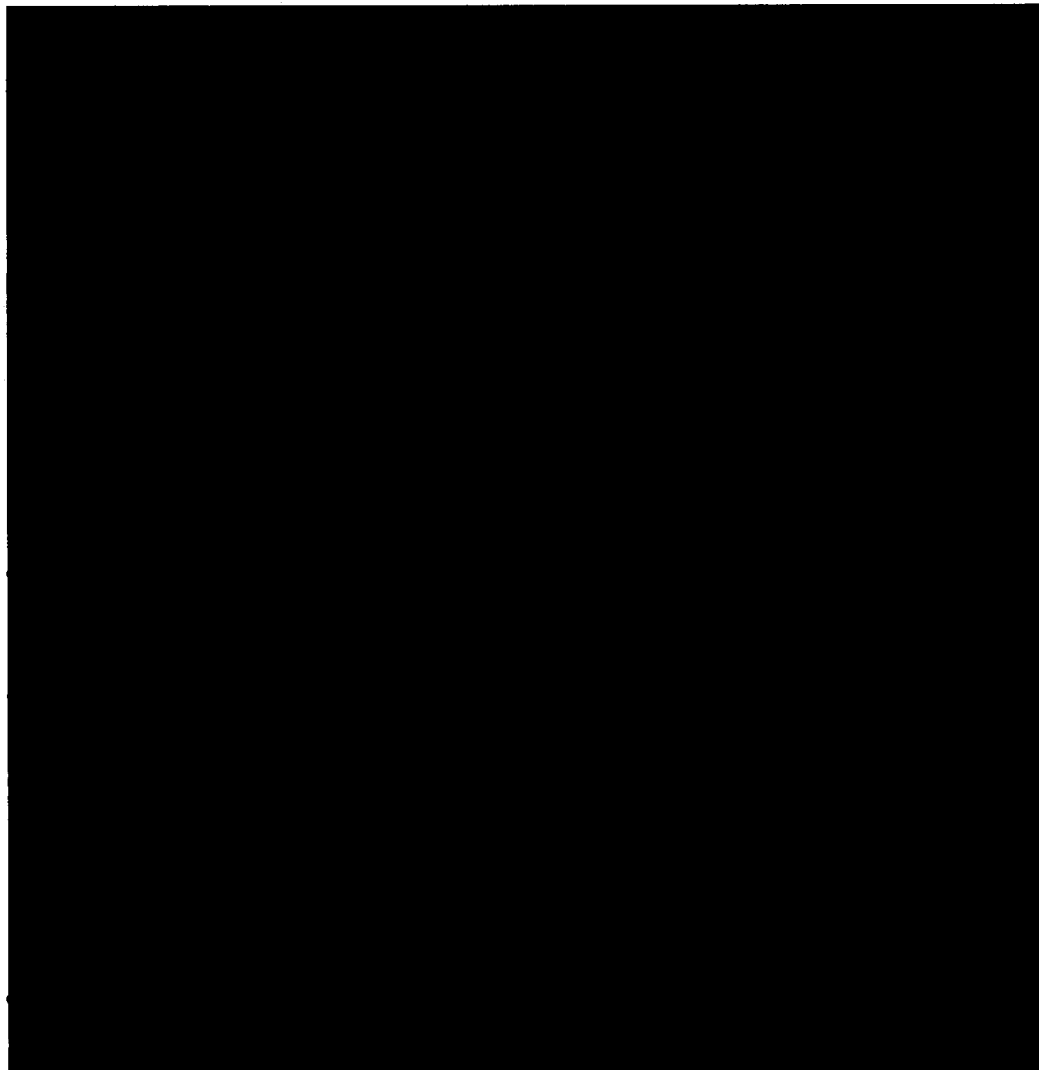
3 Q. But you did use the box mold method for that
4 decking, correct?

5 A. We did use box molds, yes.

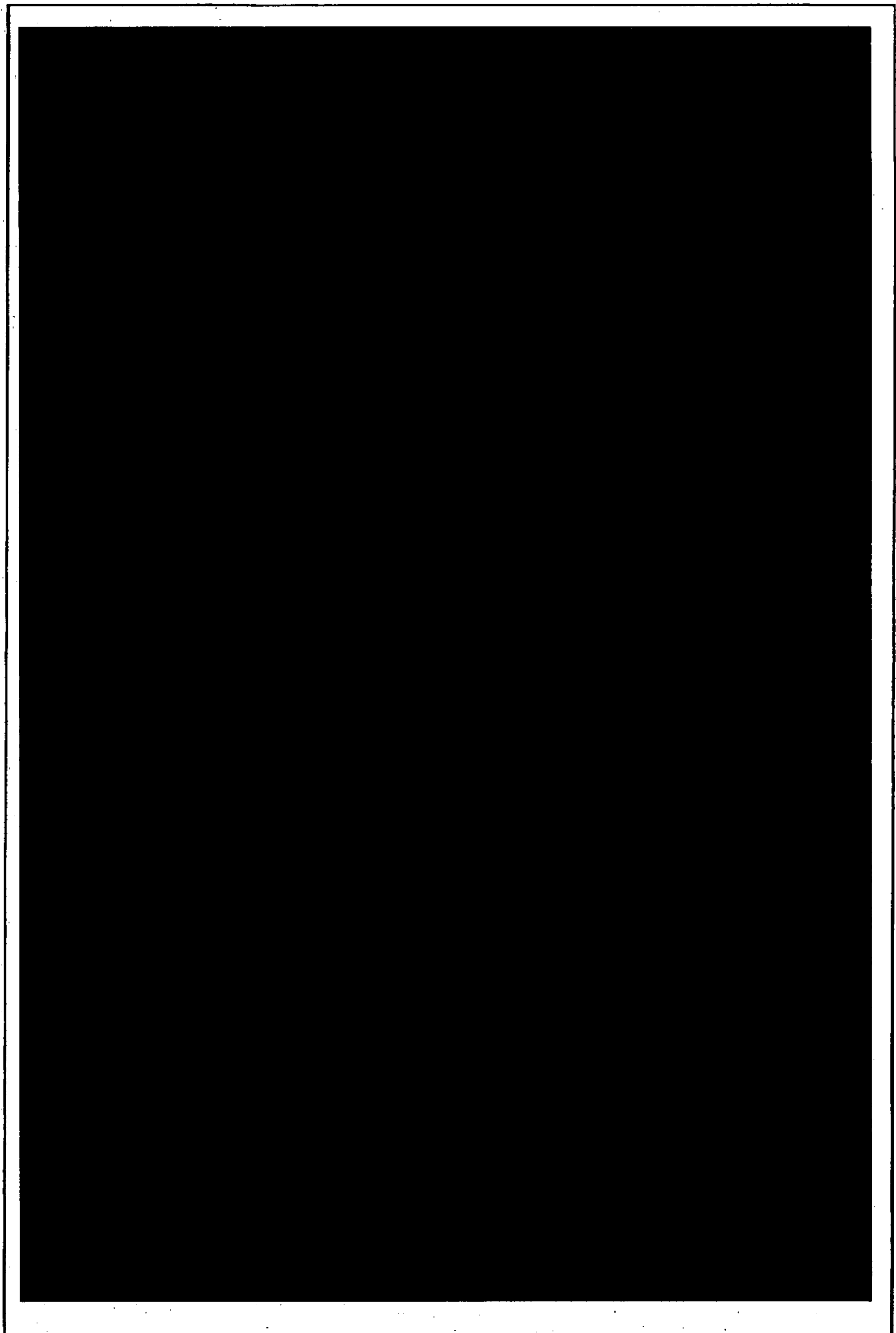
6 Q. What did I say?

7 A. Well, you said the method. You might be
8 including the buckets again.

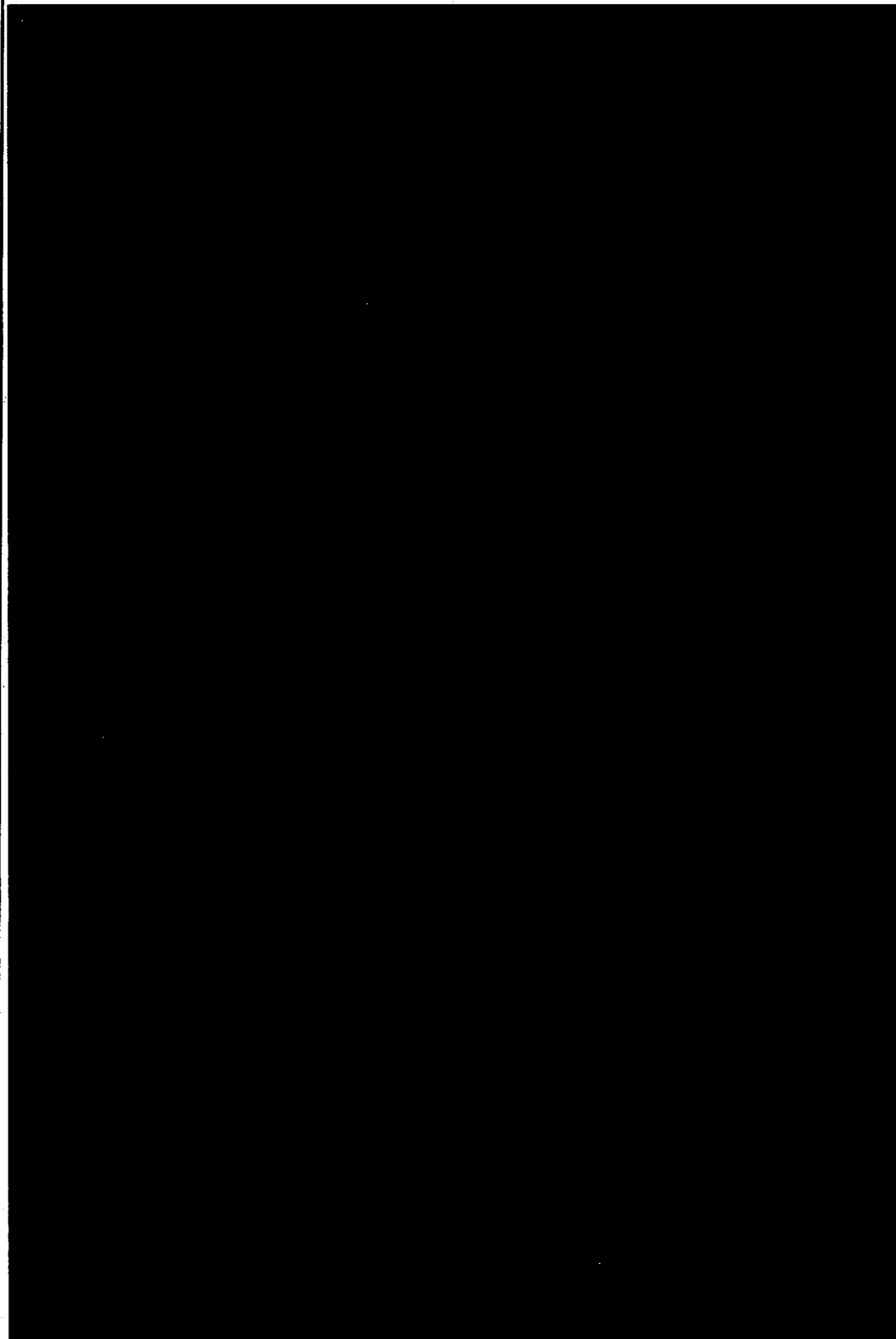
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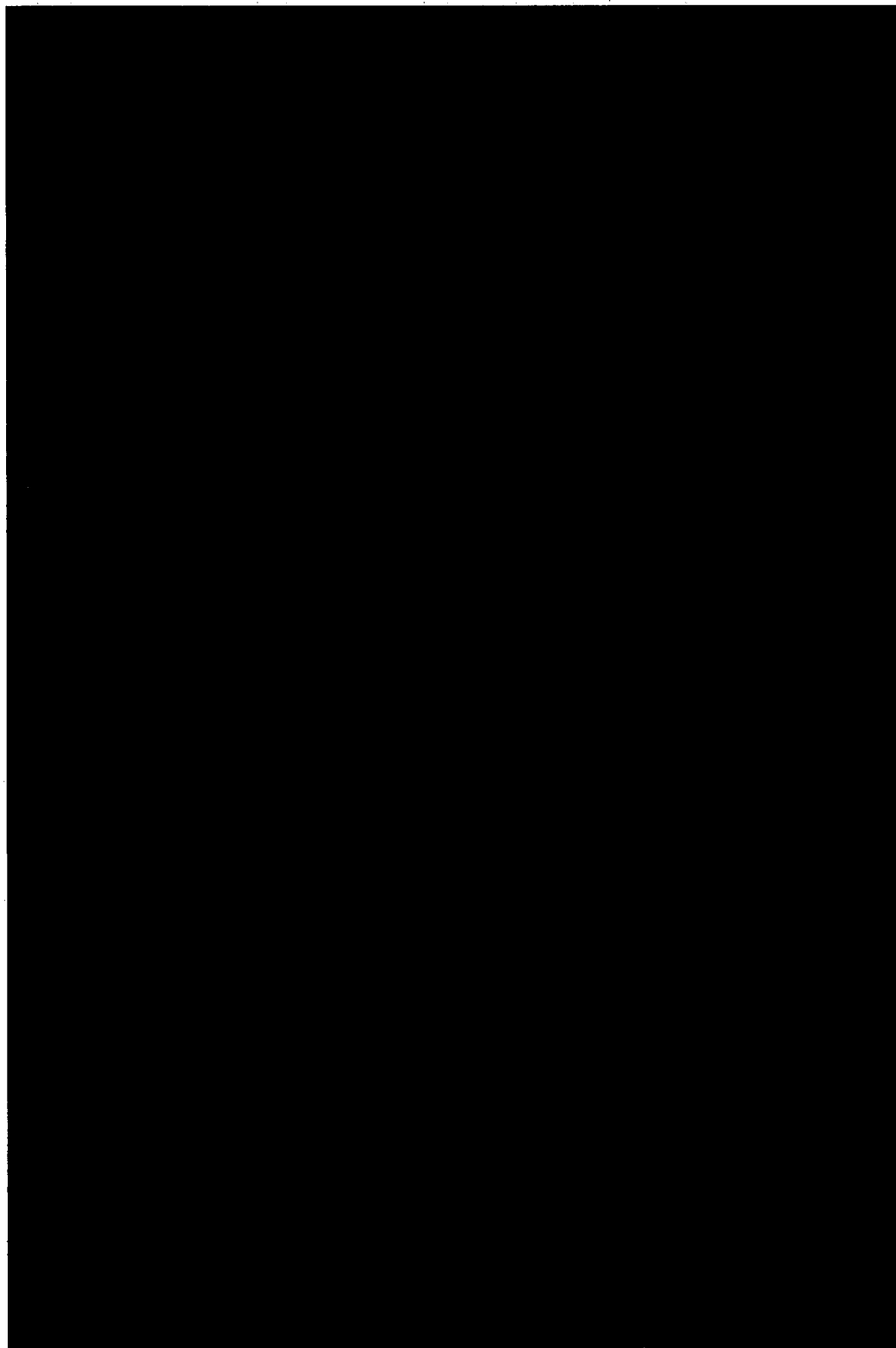
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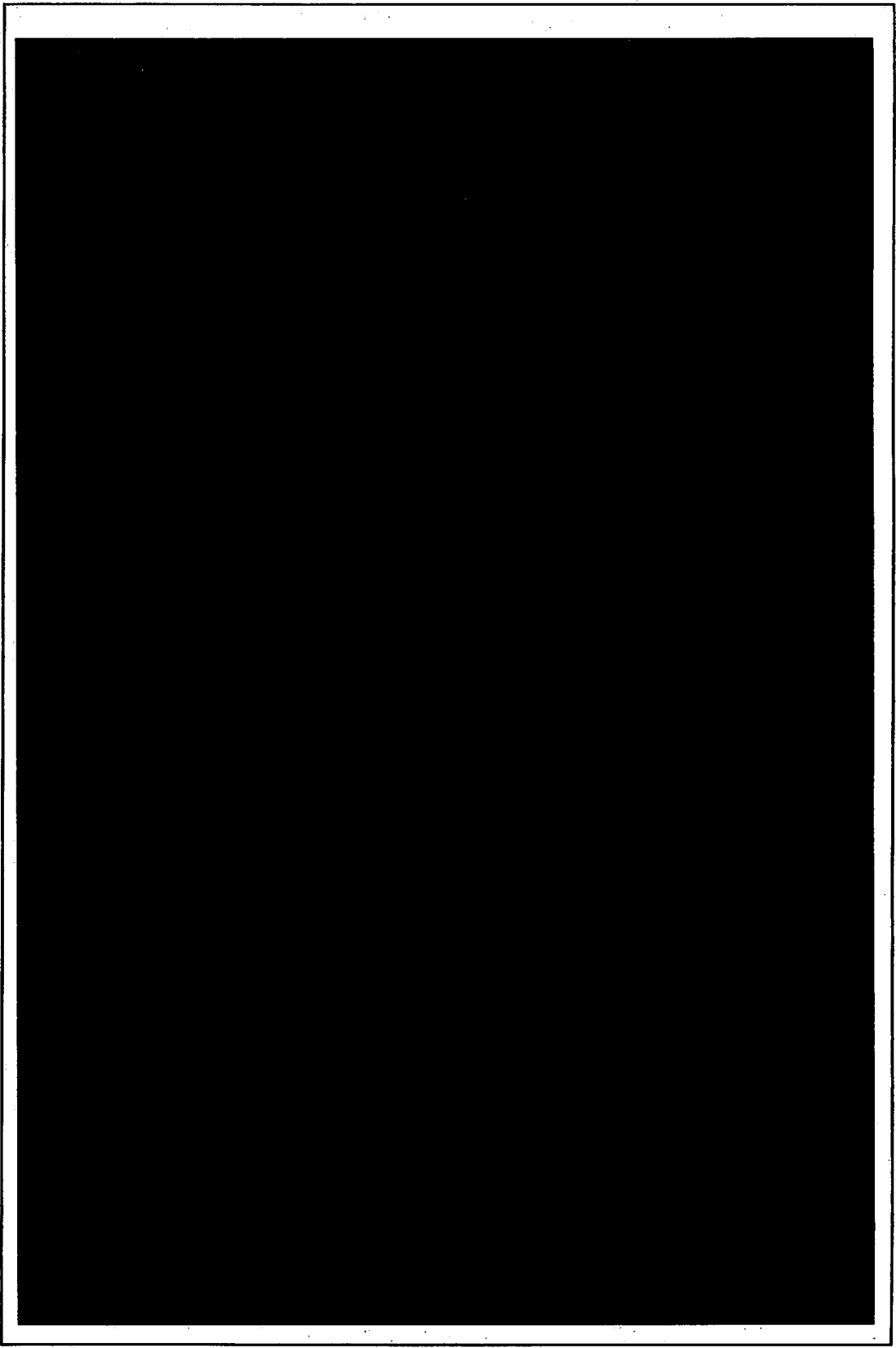
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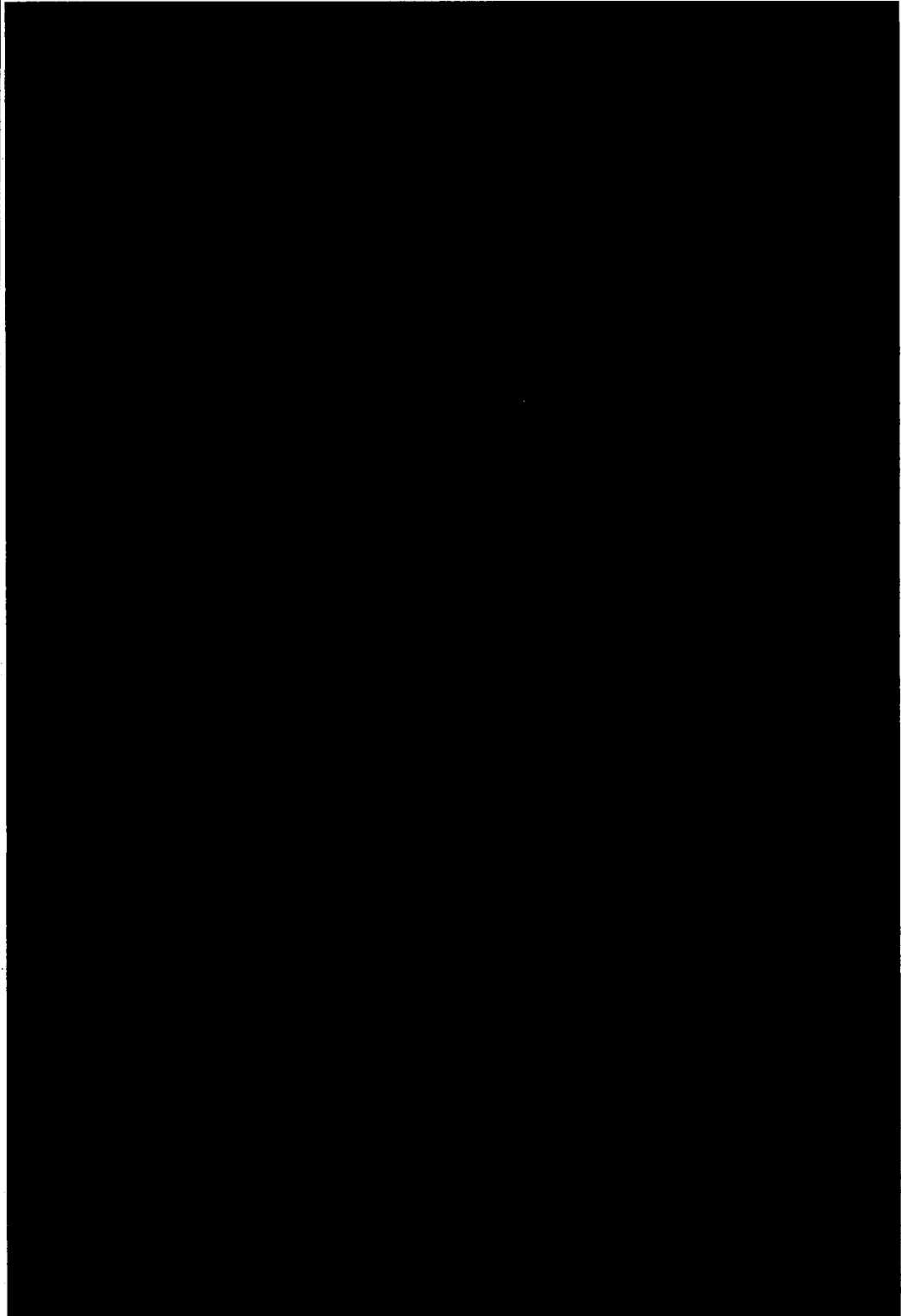
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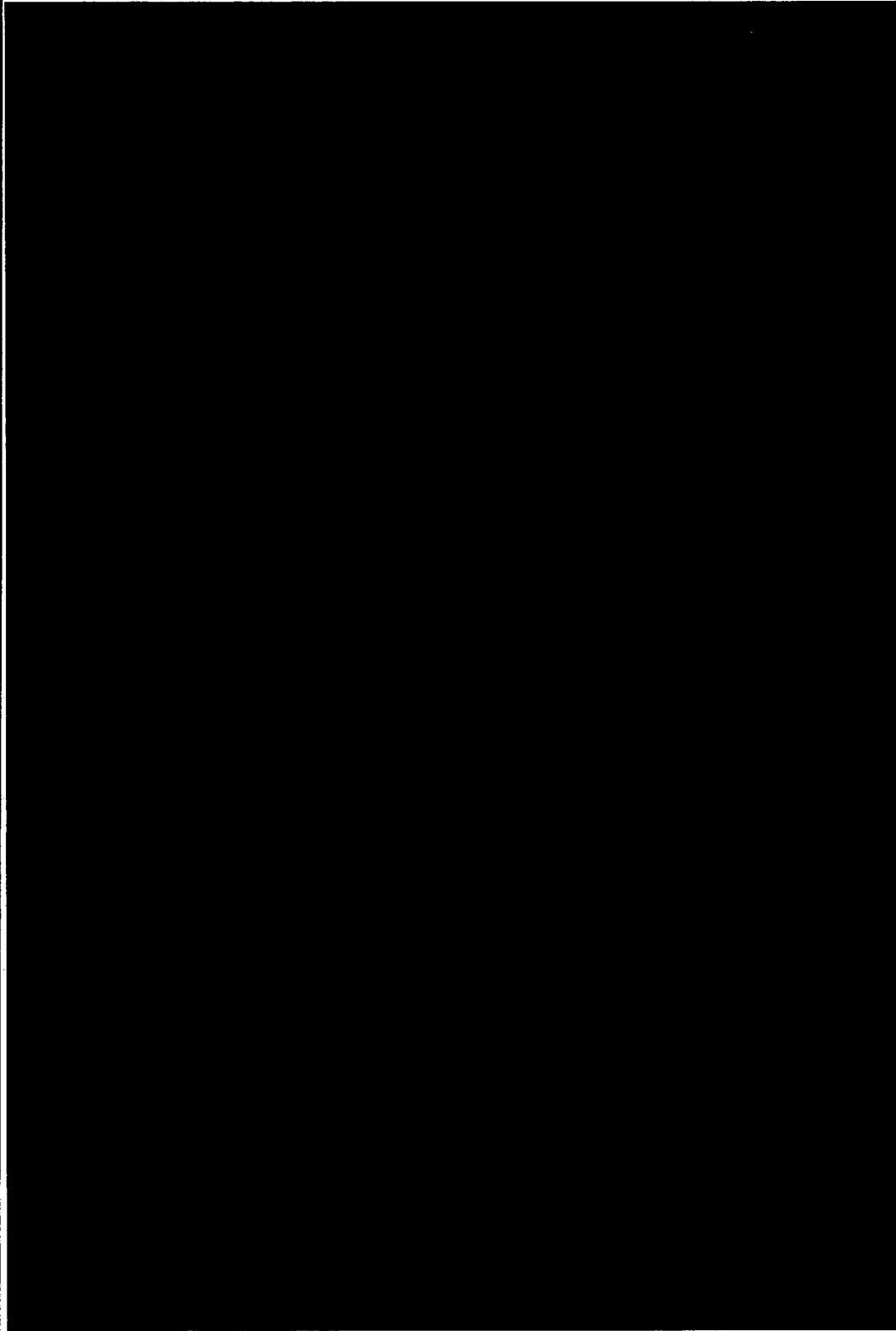
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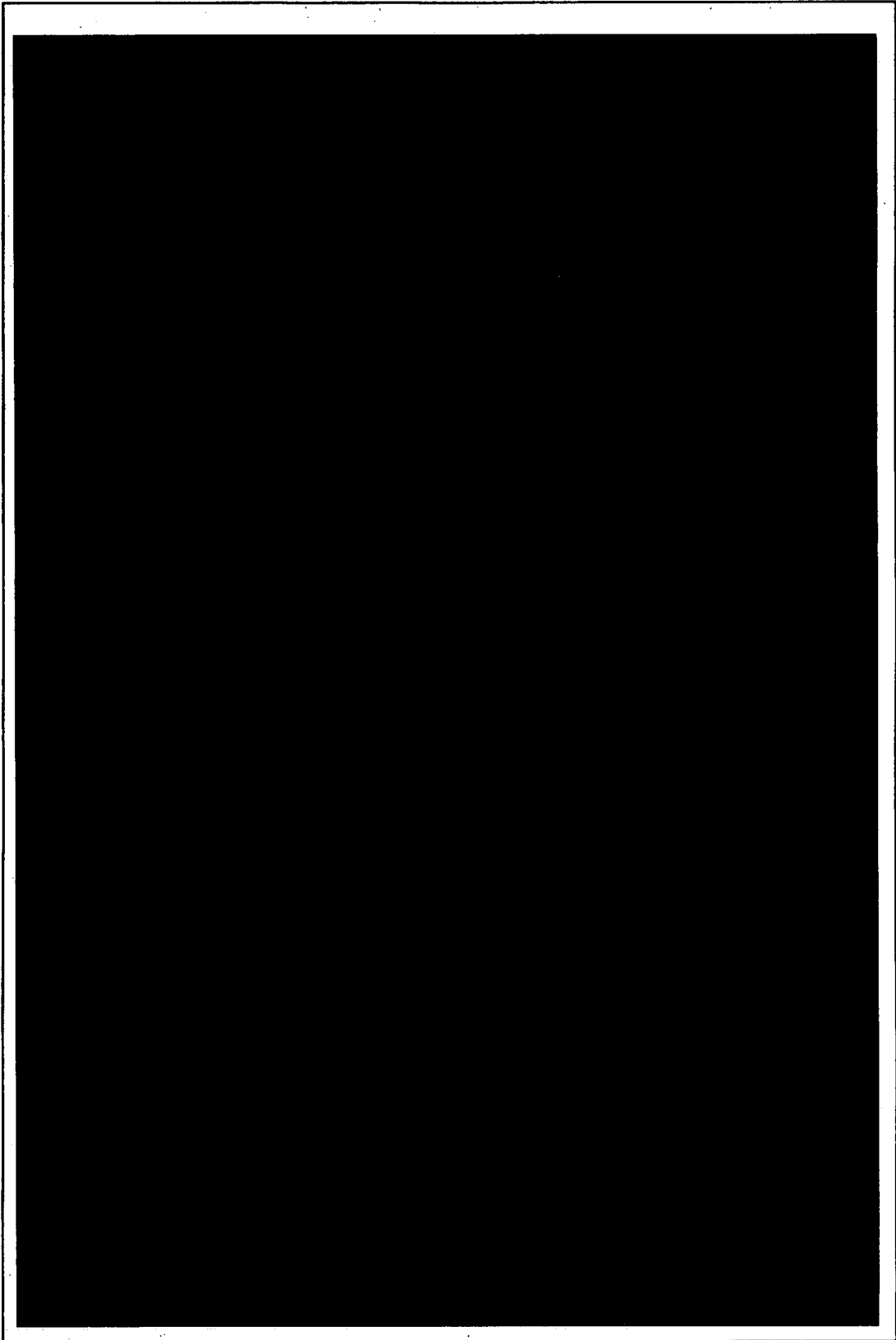
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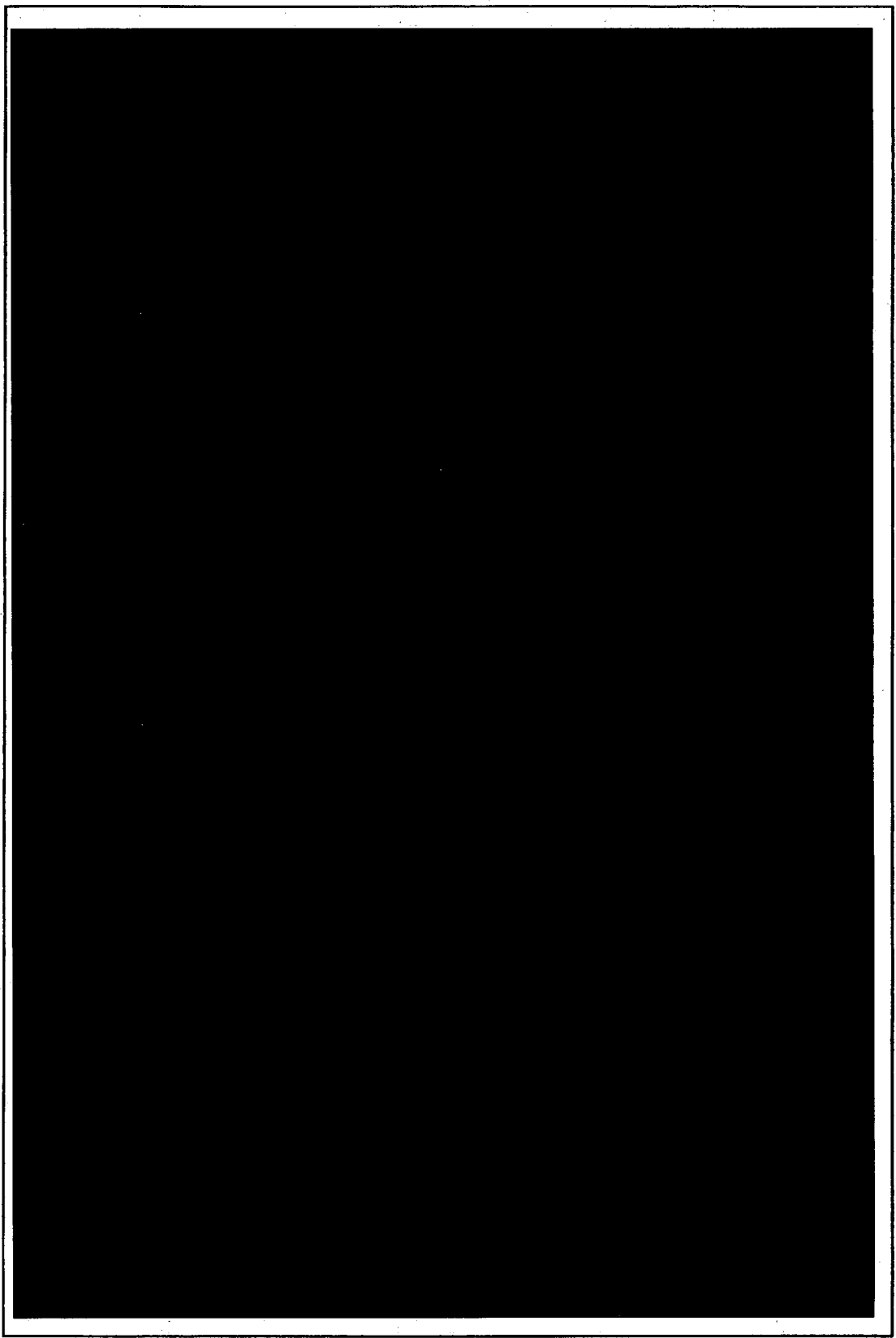
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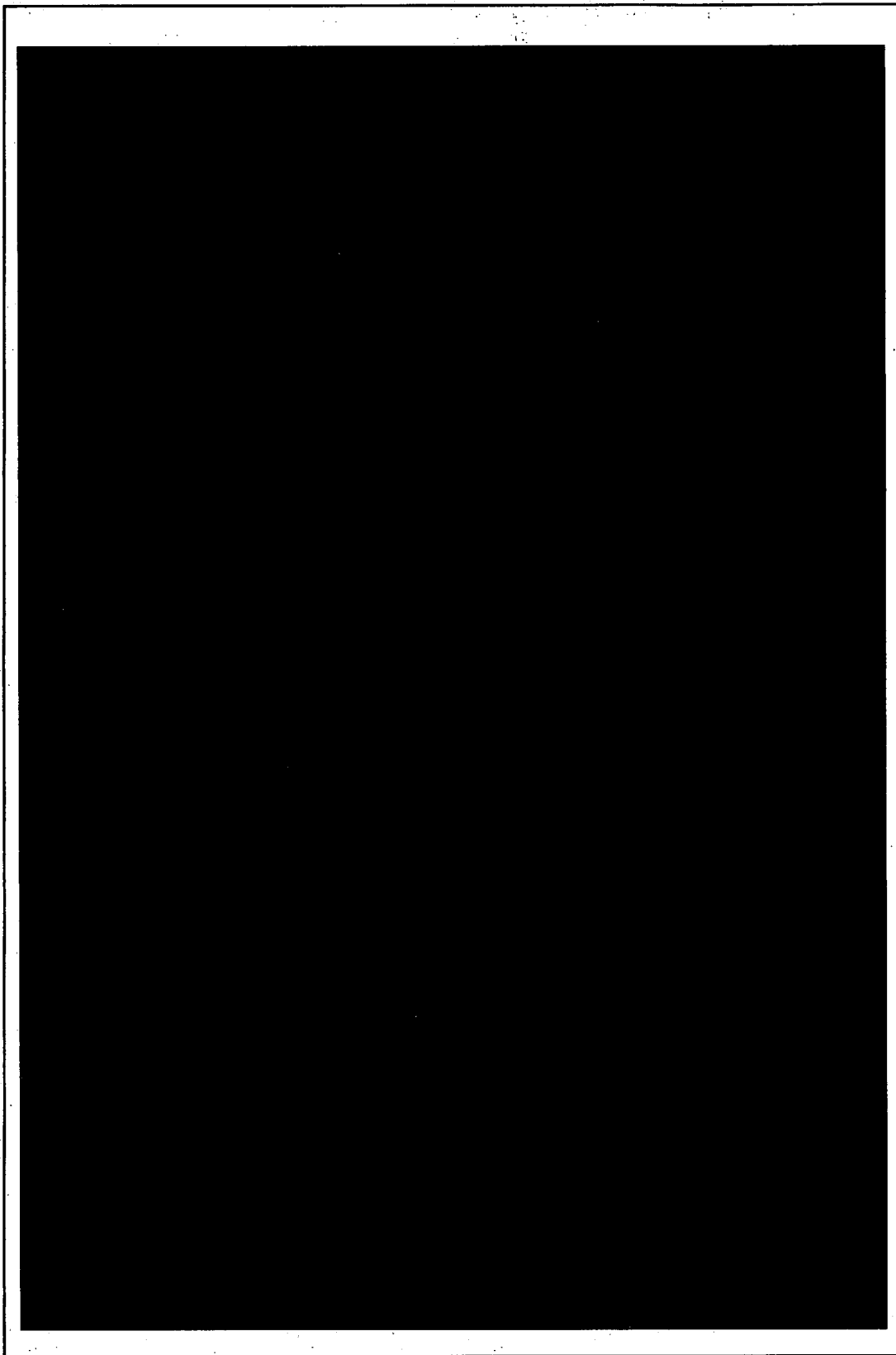
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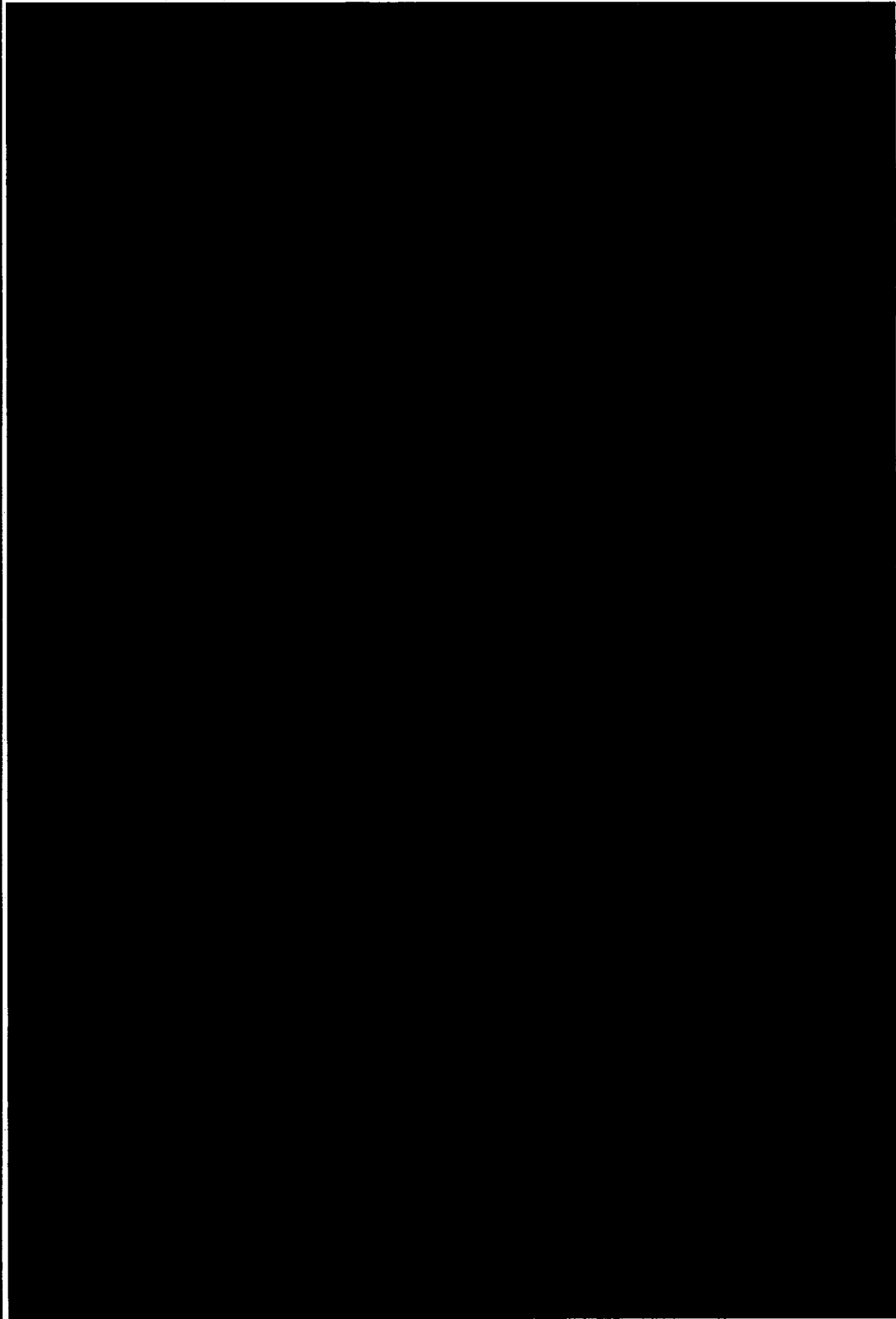
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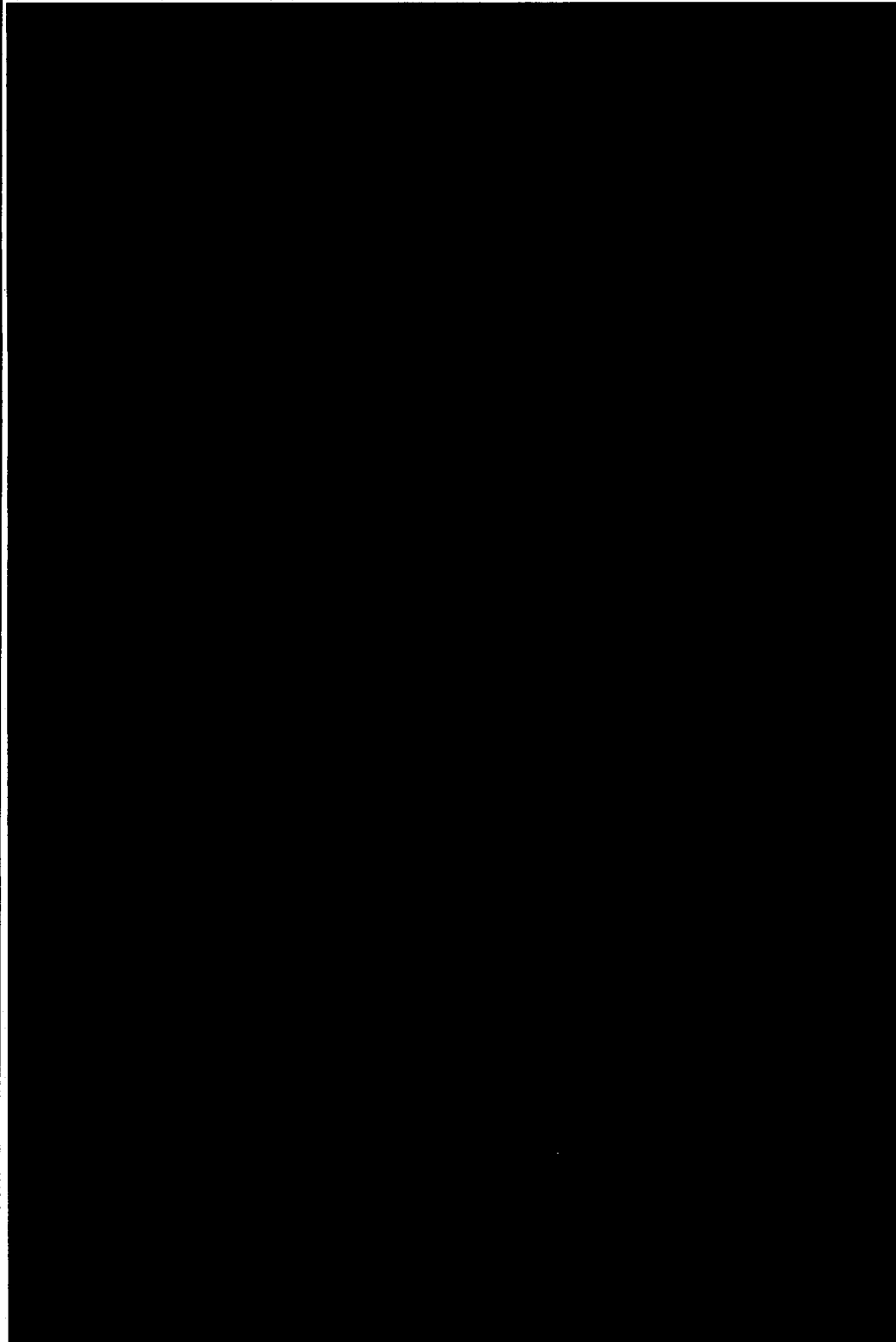
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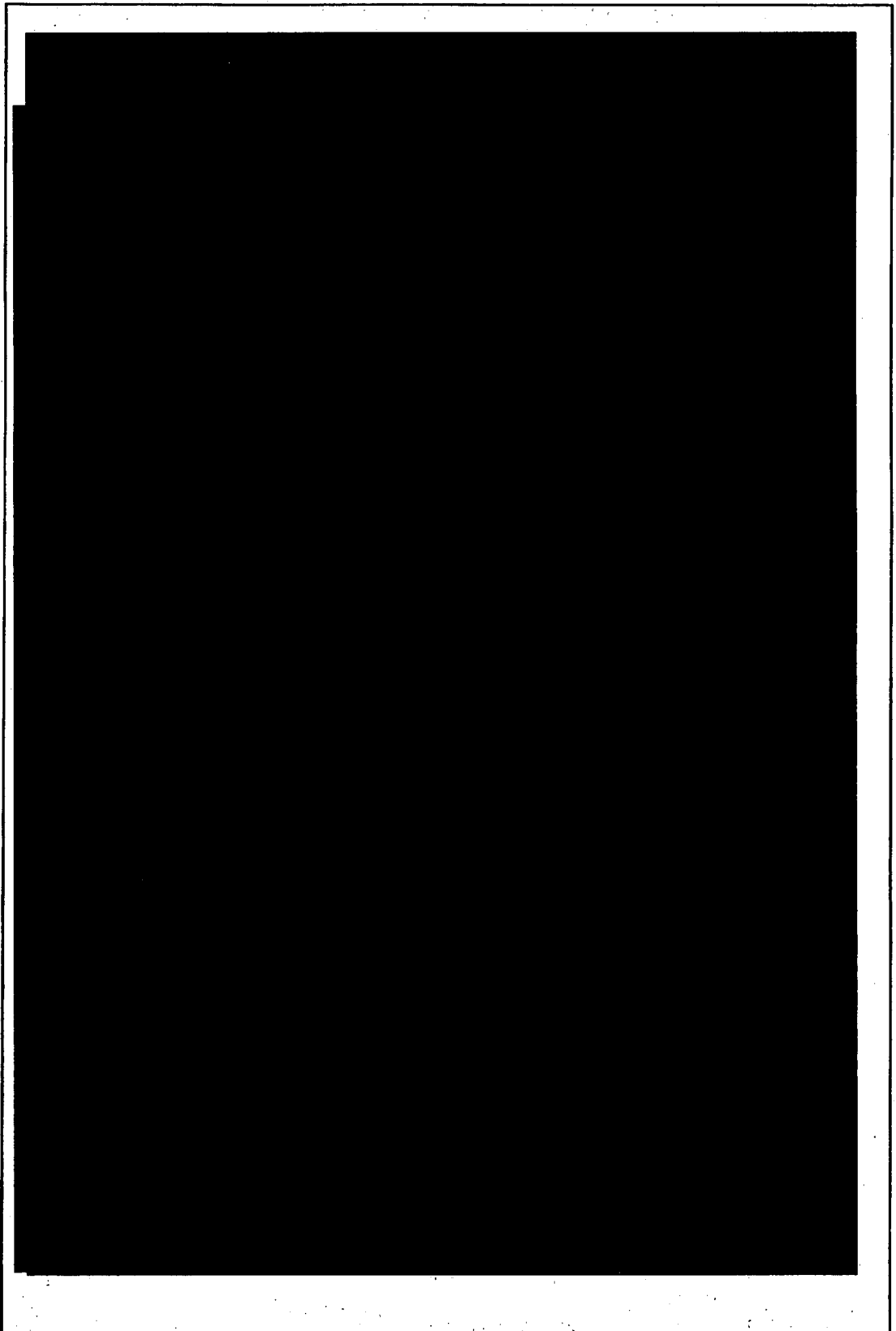
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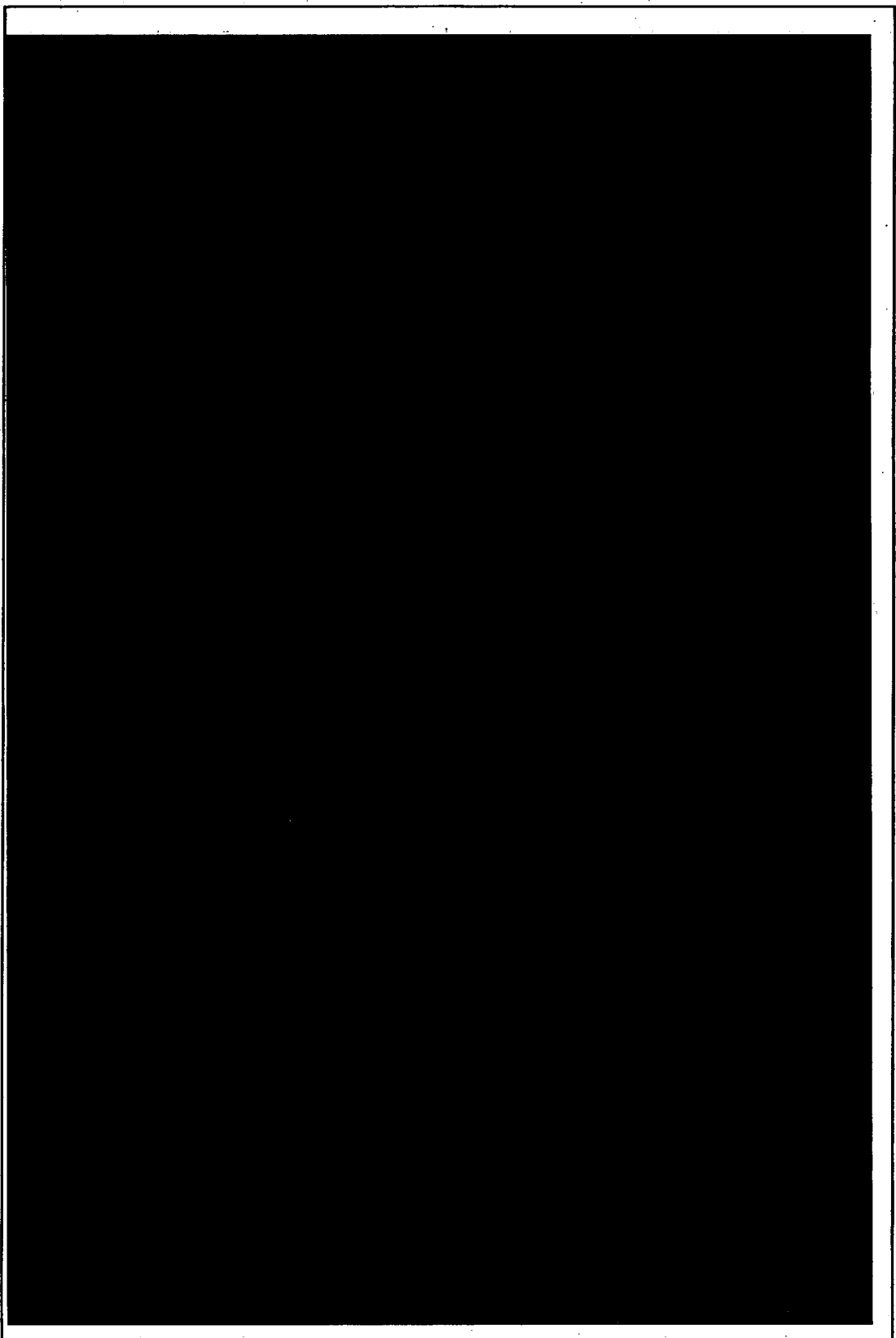
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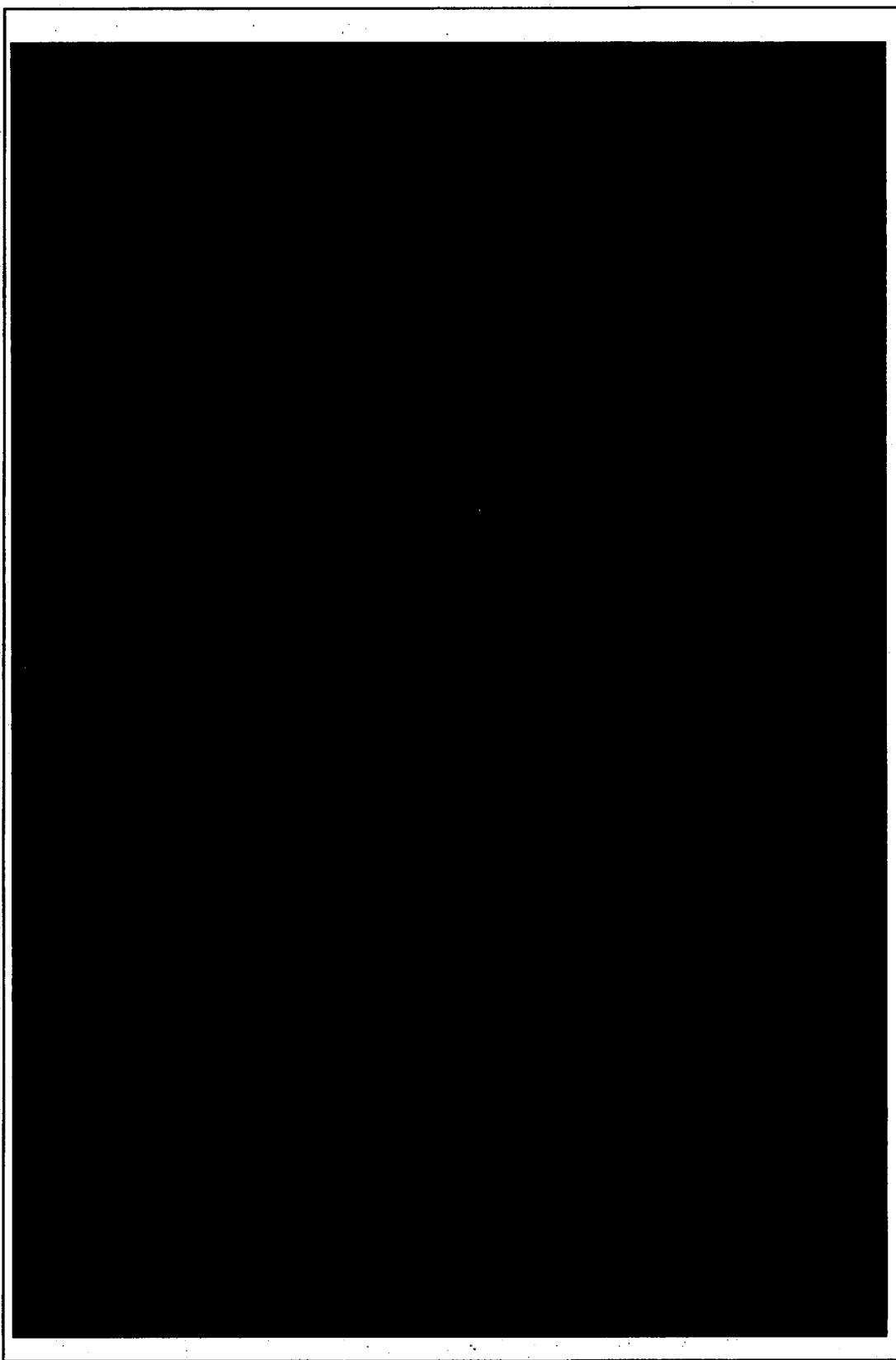
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patentable for Century Board.

Q. Okay. You said that polyester possibly might be involved, and then you said competing with polyester-based products. When you said polyesters might be involved, was that to distinguish it from competing with polyester-based products? Does that make sense?

A. Yes. I'll have to restate what I'm thinking because I can't quite answer it --

Q. Go ahead.

A. In the Century-Board Ecomat technology, there is -- for patents, for example -- we're talking about polyester technology.

Q. Right.

A. We did do work in New York on polyesters. Polyesters with urethane and polyesters alone, and even polyester-filled urethanes, which is very different. And so polyesters tend to perform somewhat like polyurethanes. They're thermo sets. You can put fillers in them. Very difficult to foam them, but it isn't too far off from the polyurethane technology in

1 its applications. So, when we look at some of these
2 ideas and things we've done in New York, occasionally we
3 say, "Well, we could also do that with polyesters. Why
4 just patent the polyurethane Century-Board normal stuff?
5 Let's file for a patent with polyesters." So, sometimes
6 we would include a broader polymer selection. In fact,
7 occasionally we used epoxies, which are also thermosets,
8 and that's in some of our work in New York. We used
9 apoxy. We used polyesters. We used urethanes.

10 Q. When you were working at Century-Board from May
11 of 2002 --

12 A. Century Products.

13 Q. Century Products. From May of 2002 through
14 February 18th, 2004, were you working with polyesters?

15 A. No.

16 Q. Is it fair to say, then, that you weren't --
17 and I don't know how to quite say it, and I'm not a
18 patent lawyer like Mr. Julander. I'm not a patent
19 lawyer, none of us here are, so forgive me, and correct
20 me --

21 MR. TREMBLAY: Make your objection of vague and
22 ambiguous if you want to.

23 Is it fair to say that the Mushovic patents
24 weren't implicated in the work that you were doing at
25 Century Products?

1 A. Implicated?

2 Q. That is that the Century-Board patent -- the

3 Mushovic patents, as I understand it, have to have

4 polyester-based involvement, correct?

5 A. That's correct.

6 Q. And you weren't doing that at Century Products,

7 correct?

8 A. That's correct.

9 Q. So, that's what I mean by implicated, that the

10 Mushovic patents weren't being used at Century Products.

11 Correct?

12 A. Sort of.

13 Q. Okay. Why don't you explain.

14 A. We were not using the full patents, the

15 patented stuff in the patents. We were not using the

16 Mushovic patents in total, but many of the items in the

17 patents --

18 Q. The claims?

19 A. No. What's the part called? It's not the

20 claims.

21 Q. The art?

22 MR. JULANDER: Specifications.

23 THE WITNESS: Specifications. Many of the

24 things used in specifications, such as catalyst,

25 surfactants, fly ash, that's where this technology all

1 derived from anyway, from the Mushovic work. So, we
2 used lots of the technologies, mixing methods, a lot of
3 the things in his patents. That's where we got the next
4 technology, which was --

5 BY MR. TREMBLAY:

6 Q. Urethanes?

7 A. Yes.

8 Q. All right. So, you took the public domain
9 information of methodology that had been applied to
10 polyesters, and you were now over at Century Products --
11 when you were over at Century Products using that as a
12 stepping stone towards the application of urethanes,
13 correct?

14 A. Well, we did that in New York.

15 Q. I understand, but I'm talking about at Century
16 Products. I'm not eliminating the fact that you have
17 been doing that prior, but when you came over to Century
18 Products pursuant to the sublicense agreement and you
19 were working over there, is it a true statement that you
20 were taking specifications that are of the public domain
21 methodology that had been applied to the Mushovic
22 patents to polyesters, and now you were using those to
23 urethanes?

24 MR. JULANDER: Objection. Vague and ambiguous.

25 If you understand it, you can answer it.

1 THE WITNESS: No. It's not quite --
2 BY MR. TREMBLAY:
3 Q. Is that part correct?
4 A. Part of it.
5 Q. Okay. And that was in the form of
6 experimentation, that is, you're going from, "Let's try
7 that methodology, and let's see how it works with
8 urethane here. We've had some success in New York, and
9 let's try to get it now working towards large scale
10 volume production in Century Products." True statement?
11 A. True.
12 Q. So, what part didn't I say correctly when you
13 said that was partly true. Did you want to add
14 something?
15 A. No.
16 Q. Okay. And so you were -- is it fair -- you
17 know, I say this with all respect. Do you consider
18 yourself a scientist?
19 A. Yes.
20 Q. Okay. And as a scientist, is it fair to say
21 that while you were at Century Products, you were
22 experimenting what that methodology revealed -- at
23 least, what part of that methodology revealed in the
24 specifications in trying to come to a viable product
25 that could be manufactured at Century Products for

1 decking using urethanes?

2 MR. JULANDER: Could you read that back,
3 please.

4 BY MR. TREMBLAY:

5 Q. Let me withdraw it and just ask it again. I'll
6 try to break it down because sometimes I form these
7 questions, and it doesn't come out right.

8 As a scientist you were involved in
9 experimentation while you were at Century Products,
10 correct?

11 A. Yes.

12 Q. Okay. And that experimentation was in the
13 field of urethanes using the Mushovic specifications in
14 part, correct?

15 A. Yes.

16 Q. Okay. So, you were trying to take, at least,
17 in part what Mushovic had successfully been able to do
18 through his patent -- as revealed in his patents with
19 polyesters and now apply that to urethanes, correct?

20 A. It sounds funny, but yes, sort of.

21 Q. Okay. And I'm going to -- we're going to take
22 our lunch break now, and I think you want to give some
23 explanation to that, so let's get some food in our
24 bellies, and you'll have an opportunity to think about
25 this. I'm going to come back to it at the lunch break,

1 and I'm sure you'll want to explain a little more on
2 this. Fair enough?

3 A. Fair enough.

4 MR. TREMBLAY: We'll take an hour and come
5 back.

6 Is that all right, Mr. Julander?

7 MR. JULANDER: Absolutely.

8 MR. TREMBLAY: Okay. Thank you very much.

9 (Lunch recess at 12:12 p.m. to 1:18 p.m.)

10 BY MR. TREMBLAY:

11 Q. Back to Exhibit 3. We haven't finished with
12 Exhibit 3, and we were talking about the Mushovic
13 patents. I just want to make it clear. I used the term
14 implicate, and I meant practice. Were you practicing
15 the Mushovic patents while you were at Century-Board?

16 A. No. Century Products.

17 Q. Century Products. Let me ask it again.

18 Were you practicing Mushovic patents while you
19 were at Century Products?

20 A. No.

21 Q. Thank you. Did you tell anyone at Ameren or
22 Century Products that you weren't practicing the
23 Mushovic patents while you were at Century Products?

24 A. Absolutely.

25 Q. Who did you tell?

1 A. Specifically John Taylor. We had a discussion
2 about what I was going to do in the very beginning.
3 They did not want to use the Mushovic patents.
4 Q. And when you say, "in the very beginning," can
5 you give me the place, time?
6 A. This is the very beginning of when we signed
7 the second license agreement.
8 Q. That would be the November 26, 2002?
9 A. No. No. That's actually the third.
10 Q. Okay. Thank you. That's March?
11 A. I believe it's springish of that year.
12 MR. JULANDER: Just slow down a little bit.
13 MR. TREMBLAY: We don't need to mark it. I
14 think we're in agreement of what is what, but if you
15 want to, we can.
16 MR. JULANDER: Only if you get into the real
17 substance of it.
18 MR. TREMBLAY: Yeah. Right.
19 BY MR. TREMBLAY:
20 Q. Is it this one that you're referring to?
21 A. No. This is the option for the commercial
22 license.
23 Q. It's the one preceding this one, right?
24 A. Yes, it's the one preceding that.
25 Q. Here it is.

1 A. March of 2002.

2 MR. TREMBLAY: It's Exhibit 2 to the Superior
3 Court action filed by -- it's your exhibits in the
4 motion for preliminary injunction. Okay?

5 MR. ROBINSON: Can we go off the record for a
6 second?

7 MR. TREMBLAY: Yeah.

8 (Discussion off the record)

9 BY MR. TREMBLAY:

10 Q. The time when you were speaking with John
11 Taylor about you not wanting to practice under the
12 Mushovic patent was contemporaneous with -- prior to the
13 March 18th, 2002 agreement, correct?

14 A. Well, it's in the time period of that, but it
15 was actually when we moved into the facility.

16 Q. In Anaheim?

17 A. In Anaheim, whatever that date was, which I'm
18 not quite sure, but I thought it was near this time.

19 Q. Okay. Did you have a discussion with anyone at
20 Century Products, John Taylor or anyone else, that you
21 didn't want to practice Mushovic patents when you
22 entered into the October 18th, 2001 agreement with
23 Global Links, which I understand is the predecessor of
24 Century Products, correct?

25 A. Yes.

1 Q. And that was Exhibit 1 to the Superior Court
2 action. Did you have a conversation then?

3 A. There was a discussion when they were in New
4 York the first time before all this where we talked
5 about technologies patented and new, before any
6 agreements were signed, but we did not get into detail
7 because they were not a licensee.

8 Q. My question really relates to: did you tell
9 John Taylor, Global Links, what later becomes Century
10 Products contemporaneous or before October 18th, 2001
11 that you did not want to practice the Mushovic patents?

12 MR. JULANDER: Objection. It's vague and
13 ambiguous as to one thing. Counsel, if I may?

14 MR. TREMBLAY: Sure.

15 MR. JULANDER: Global Trade Links still exists
16 today, so the question assumes that Global Trade Links
17 transformed into --

18 MR. TREMBLAY: Well taken.

19 MR. JULANDER: I just don't want to confuse --

20 MR. TREMBLAY: Let me just withdraw it.

21 BY MR. TREMBLAY:

22 Q. My question is: contemporaneous with the
23 agreement, Exhibit 1 to the Superior Court action, that
24 is an agreement between Century-Board USA and Global
25 Trade Links, did you discuss with John Taylor or anyone

1 who becomes part of Century Products the fact that you
2 did not want to practice the Mushovic patents?

3 A. Yes.

4 Q. Okay. That's the conversation that I want to
5 talk about. That conversation, the earliest one where
6 you recall that discussion, can you identify where it
7 is, and who is present, and what's said in it as best as
8 specific language as possible?

9 A. Well, as I said, we started when they first
10 visited.

11 Q. In New York?

12 A. In New York.

13 Q. And "they" being?

14 A. John Taylor and Ted Butteriss.

15 Q. Okay.

16 A. And another guy or two, which never showed up
17 again. I don't know if they knew what I was talking
18 about because we weren't getting specific about the
19 reasons or what we were talking about, but we clearly
20 indicated that what we were making when they were
21 there--we showed them what we were making--was not part
22 of the original patent work.

23 Q. Did you tell them that, though?

24 A. Well, I told them that, but I don't know --
25 they're not chemists, and I don't know what they got

1 from that, and it may have no relevance, but I did
2 say -- because we were starting to switch over in New
3 York to the new system.

4 Q. And the new system would be what?

5 A. Would be the systems we're applying for now
6 with the new patents.

7 Q. You mean non-polyester based?

8 A. Non-polyester based.

9 Q. Okay. You have used also the term
10 polyurethane. I want to understand what you mean by
11 polyurethane. Is there a distinction of polyurethane
12 and polyethers?

13 A. Polyurethane could cover everything we talked
14 about, including the Mushovic patents. It could because
15 the Mushovic patents are polyester-based polyurethane.
16 But when I usually talk about urethanes, I don't mean
17 the Mushovic type because they're a very special type,
18 unusual urethane. Generally urethanes concern the types
19 that are in the new patent.

20 Q. Okay. Would that be polyethers?

21 A. I'm sorry. Including polyethers, yes.

22 Q. So, is it fair for me as a lay person to say
23 that polyurethanes include polyethers?

24 A. Yes. But not exclusively.

25 Q. Right. Okay. You would agree that the

1 technology that was being developed at Century Products
2 was polyether-based?

3 A. I'm afraid it's going to get more complicated.

4 Q. Go ahead and answer.

5 A. Yes. But while I was there, we also did do
6 some polyester-based instead of polyether-based.
7 Polyester-based urethanes were not the type Mushovic was
8 working with.

9 Q. So, that's why you're confident to be able to
10 say, "While I was at Century Products, I wasn't
11 practicing the Mushovic patents"?

12 A. Correct.

13 Q. Okay. Now, back to the time when you first
14 presented, by demonstration, what was being done in New
15 York, did you actually say to Mr. Taylor or in his
16 presence in that demonstration -- may I character it as
17 a demonstration?

18 A. Yes.

19 Q. Okay. It's so characterized. Did you tell
20 him, "The Mushovic patents are not" -- let me withdraw
21 that.

22 "By what I'm demonstrating to you, it doesn't
23 practice the Mushovic patents." Did you say words to
24 that effect?

25 A. I don't think so.

1 Q. Did you tell him, "By what I'm demonstrating to
2 you the Mushovic patents wouldn't give patent protection
3 for that. We'd have to apply for a different patent"?
4 First of all, is that a fair statement?

5 A. Yes.

6 Q. Okay. And did you tell him that?

7 A. I don't think I said it like that, no.

8 Q. Okay. How did you say it?

9 A. Since these were not people who were in
10 business with us --

11 Q. Right. Right.

12 A. -- I was careful about what I was saying.

13 Q. Okay.

14 A. So, I would have said something like -- I don't
15 remember at all what the words were. "We're working on
16 some newer technologies in addition to the ones we
17 already have patented." Something like that would have
18 been how -- without even saying what the materials are.

19 Q. So, now that's the earliest discussion you're
20 having where you would characterize that you were giving
21 them some information without directly telling them that
22 the Mushovic patents aren't being practiced. True
23 statement thus far? You didn't come right out and tell
24 them because you didn't want them to realize that what
25 you had wasn't patent protected, correct? Because you

1 weren't in bed with them yet.

2 A. Yes.

3 Q. So, is it fair to say until you got to a level
4 where you had a good faith belief you were entering into
5 a contract with them, you never specifically told them,
6 "The Mushovic patents don't protect what I'm doing"?

7 A. No. I thought I just said the opposite of
8 that.

9 Q. Well, that's what I'm trying to clarify.
10 Because I certainly understand a circumstance of a
11 business man like yourself at the time. You're
12 demonstrating technology to people who are coming to you
13 potentially as business partners in some respect or
14 investors or purchasers of the technology, right?

15 A. Yes.

16 Q. That's why you were meeting with them, right?

17 A. Yes.

18 Q. You weren't meeting with them with the
19 intention that you were going to reveal your trade
20 secrets so that they could go and not do business with
21 you and go develop it on their own, right?

22 A. Obviously, yes.

23 Q. Okay. So, at that point in time, you have to
24 be somewhat judicious in how much information you're
25 going to give them, right?

1 A. Right.

2 Q. And everything that you were developing -- may

3 we call it the new technology?

4 A. Yes.

5 Q. That is the non-polyester-based urethane --

6 A. How about non-Mushovic?

7 Q. Non-Mushovic. Okay. The new technology being

8 non-Mushovic. You didn't want to come right out and

9 say, "Hey, Mushovic patents just don't protect us,"

10 because otherwise a person might have more incentive to

11 try to reverse engineer, try to go around you. Is that

12 a fair statement?

13 A. That's fair.

14 Q. Okay. So, that was your state of mind at that

15 point in time, correct?

16 A. Correct.

17 Q. But it is your testimony that at some point in

18 time prior to inking contracts with either Global Links

19 or Century Products you told people categorically, "The

20 Mushovic patents are not going to be a method of

21 protection for the new non-Mushovic technology."

22 Is that what you're saying?

23 A. No.

24 Q. Okay. That's what I'm interested in knowing.

25 I'm interested in knowing if, in fact, you did ever tell

1 anybody at Century Products before -- or Ameren --
2 before you inked a contract with any of those parties;
3 Century Products, Ameren, that the Mushovic patents will
4 not protect the new non-Mushovic technology that we're
5 going to practice.

6 A. I didn't say it like that because what -- we
7 did not have a decision that we were not going to use
8 the Mushovic patents. The Mushovic patents were an
9 option and are an option even today. We could use the
10 Mushovic patents in Century Products today.

11 Q. Do you believe Century Products is using the
12 Mushovic patents -- practicing them at all today?

13 A. I don't know.

14 Q. Bases on what you know.

15 A. Based on what I know, I'd say not.

16 Q. Okay. And is it fair to say that your patent
17 applications for materials are not practicing the
18 patent -- excuse me -- the Mushovic patents?

19 A. Well, I can't.

20 Q. Right. So, you would say yes?

21 A. I'd say -- it's yes or no. The new patents do
22 not practice Mushovic patents.

23 Q. And they're not dependent upon the Mushovic
24 patents?

25 A. No.

1 Q. That is incorrect?

2 A. No, they are not dependent.

3 Q. Okay. Thank you. How soon was it in relation
4 to inking contracts, signing contracts, with Century
5 Products and/or with Ameren's involvement that you told
6 anyone at Ameren or Century Products, "I am no longer
7 practicing the Mushovic patents in the research that I'm
8 doing"?

9 A. I can give you a date based on what we were
10 doing. I don't know the actual date.

11 Q. Go ahead.

12 A. Soon after we moved into the Anaheim facility,
13 we started to make cast parts, hand made parts. John
14 Taylor and I--and I don't know who else--had a
15 discussion about this subject of what technology we're
16 using. And what I remember doing was recommending that
17 we switch -- that we use the newer unpatented
18 technology, trade secret and technology from
19 Century-Board rather than the patented Mushovic
20 technology because it offered some advantages.

21 Q. That's after the November 26, 2002 agreement
22 was signed?

23 A. No. Clearly before that, but I'm not sure when
24 we moved into the facility. We moved into the facility
25 many months before we signed the November 2002 document.

1 Q. Okay. And did you move into the facility
2 before the March signing, the option extension where
3 it's now Century Products?

4 A. I don't know the dates.

5 Q. Okay. I'm being handed a note that it was May
6 2002 that the Anaheim facility opened. Does that
7 refresh your recollection?

8 A. May 2002?

9 Q. Yeah. Does that refresh your recollection?

10 A. No, not really, but if that's it, that's it.

11 Q. Sometimes we refresh recollections by just
12 giving people information. Your information is what I'm
13 more important with.

14 A. Okay. I really don't know the date. And what
15 was the date of that second one?

16 Q. The second one -- the dates of the agreements
17 are: Global Links is October 18th, 2001.

18 MR. JULANDER: That's Global Trade Links.

19 MR. TREMBLAY: Global Trade Links. Thank you.

20 BY MR. TREMBLAY:

21 Q. The first amendment to that is between
22 Century-Board and Century Products, and that's May 18th,
23 2002.

24 MR. ROBINSON: March 18, 2002.

25 THE WITNESS: So, the March is before May.

1 BY MR. TREMBLAY:

2 Q. And then the amended restated between
3 Century-Board, Ecomat, and Wade Brown, and Century
4 Products, that's November 26th, 2002. Okay?

5 A. Okay.

6 MR. TREMBLAY: So stipulated?

7 MR. JULANDER: Sounds right to me.

8 BY MR. TREMBLAY:

9 Q. Okay. Thank you for telling me about that
10 conversation when you said, "We should go along and
11 start developing in the new technology."

12 Why was it that the Mushovic patents were
13 presented in business presentation plans to Ameren as
14 providing patent protection for the lumber, decking
15 production manufacturing?

16 A. Well, it's true. We had patented technology to
17 make lumber using Mushovic patents.

18 Q. Is that the reason why?

19 A. Yes.

20 Q. Was Ameren told in business presentations, as
21 far as you know that the Mushovic patents were not going
22 to be practiced for the development of the lumber and
23 decking at Century Products?

24 A. During the presentations?

25 Q. At any time. And the presentations -- I

1 would -- let's break it up into this. Let's break it up
2 before the November 26, 2002 agreement was signed
3 because that's when Ameren becomes involved; is that
4 right?

5 A. That's right.

6 Q. So, before that time you're making business
7 presentations, you're involved in the business
8 presentations being made by Century Products and
9 Century-Board to Ameren, true?

10 A. Yes.

11 Q. All right. And in those presentations --
12 representations are made in presentations--and I've seen
13 the writings, you've seen them as well--that, "The
14 Mushovic patents are one form of protection that we're
15 going to provide to you if you fund this. You're going
16 to have some patent technology that's going to protect
17 you," correct?

18 A. Correct.

19 Q. You've been kind enough to tell me that could
20 have been a way that we went. The next question is:
21 before that November 26, 2002 agreement was signed, did
22 you or anyone else at Century Products that you're aware
23 of in the presentation tell Ameren, "But we're not
24 really focusing on going that way. We're kind of going
25 to start going with this new technology"?

1 A. Well, I said I told John Taylor. You're
2 talking about Ameren specifically?

3 Q. I'm talking about Ameren now.

4 A. Well, I can't quite remember, but it did
5 obviously show up in their documents at Ameren that we
6 were going to have to file patents, so they knew there
7 was something unpatented that we were going to be using.

8 Q. That could be anything, though.

9 A. No. It wasn't anything. It was very clear
10 what those patents were about.

11 Q. That's what I want to know. How do you say
12 that it was very clear what those patents were about?
13 What is the basis for your testifying that way in the
14 time frame of the presentation? And let me try to set
15 the stage so that we understand the stage.

16 It's my understanding that Century Products,
17 Century-Board, Wade Brown, John Taylor, some other
18 people are making presentations to Ameren because
19 they're a potential investor, correct?

20 A. Correct.

21 Q. Fair statement so far?

22 A. Yeah.

23 Q. All right. So, if we have two sides of the
24 table, you have Ameren as the potential investor on one
25 side of the table, and we have Century-Board and Century

1 Products on the other side of the table, correct?

2 A. Correct.

3 Q. On the Century-Board/Century Products side of

4 the table, who is the chief chemist?

5 A. Chief chemist? I am.

6 Q. Okay. Are you the only chemist?

7 A. Yes.

8 Q. Okay. And as the one and only and the chief

9 chemist on that side of the table, was that your

10 involvement in the presentations from a

11 scientist/chemist standpoint? Not to exclude other

12 parts, but was that basically your responsibility?

13 A. Not to exclude other parts, yes.

14 Q. Yes, right?

15 A. The answer is yes.

16 Q. So, you're the chemist, the scientist on that

17 side of the table. Did Ameren have a like chemist or

18 scientist on their side of the table that you

19 communicated with?

20 A. There was a chemical engineer, yes.

21 Q. And who was that?

22 A. What's her name? I can't remember her name.

23 Q. Okay. All right.

24 A. The only woman involved, so we can narrow it

25 down.

1 Q. Is that Kim?

2 A. Yes, Kim.

3 Q. Okay. Thank you.

4 A. Kim Curry. (Phonetically)

5 MR. ROBINSON: During the negotiation phase?

6 He's focusing on the negotiation phase now, before
7 November 2002.

8 THE WITNESS: The presentation, not
9 negotiation.

10 BY MR. TREMBLAY:

11 Q. Yeah, presentation. The presentation, Kim is
12 involved?

13 A. Yes.

14 Q. Okay. Thank you very much. Now, you're making
15 the presentation at that point in time, and ultimately
16 Ameren indicates they're interested, right? Is that
17 correct?

18 A. Yes.

19 Q. Now, there's negotiations going on over the
20 contract, correct?

21 A. Yes.

22 Q. The November 26, 2002 contract?

23 A. Yes.

24 Q. When did that start?

25 A. I don't know.

1 Q. It was some months before, correct?

2 A. Some months before.

3 Q. Okay. And there were multiple drafts of that

4 contract, correct?

5 A. Yes.

6 Q. Circulated around. You saw drafts of it. John

7 saw drafts of it. It went back to Ameren. Their

8 lawyers draft, it came back and forth, correct?

9 A. Certain parts of the contract, yes.

10 Q. Okay. All right. Now, can we call that the

11 negotiation phase?

12 A. Yes.

13 Q. Okay. The presentations have been made, and

14 now you entered into negotiations, correct?

15 A. Correct.

16 Q. Okay. At any time during the presentation

17 phase, did you ever tell Ameren, "We're not going to

18 practice the Mushovic patents"?

19 A. I don't know.

20 Q. Okay. Did you ever tell Kim that?

21 A. I don't know, but remember, this wasn't an

22 absolute decision of mine that all of a sudden we're

23 going to switch to non-Mushovic patents. This may not

24 have been made at all because they could have said, "No.

25 You got to use the patented technology," and I would

1 have used it.

2 Q. I understand, but I'm just trying to find out
3 if --

4 MR. JULANDER: Let him finish.

5 MR. TREMBLAY: I apologize.

6 THE WITNESS: And also one of the key areas
7 that the Century-Board people -- and I was the only one
8 from Century-Board at the meeting, but there were other
9 people at Century-Board. The key area we were after,
10 which did get into the contracts was: it isn't just the
11 patented trade secrets we want to protect, it's the
12 patented technology, which is patent. We want the trade
13 secrets, and that was put in specifically to cover our
14 new technology, and the royalties also were worded in
15 the contracts signed November 2002 that they were not
16 dependent only on patented technology. All that was
17 done in this negotiation that you're talking about.

18 BY MR. TREMBLAY:

19 Q. Right.

20 A. So, this idea of unpatented trade secret
21 information that could be used in the new plan was
22 discussed somehow and got into the documents by November
23 2002.

24 Q. And you negotiated on behalf of Century-Board
25 because you were the only person in the negotiations for

1 Century-Board, correct?

2 A. Yes.

3 Q. And you made sure that you negotiated in the
4 inclusion in the November 26th, 2002 agreement that
5 Century-Board would have trade secret protection,
6 correct?

7 A. Correct.

8 Q. And have royalty protection for exploitation of
9 its trade secrets, correct?

10 A. Correct.

11 Q. Okay. But, once again, you can't tell me
12 affirmatively that you ever told Kim or Ameren during
13 the presentation phase that, "We're not going to use the
14 Mushovic patents because of the variety" -- it may have
15 not been decided yet, but, at least, you didn't tell
16 them that; is that true?

17 A. I don't think that's true. In doing these
18 changes that I just mentioned about the royalties and
19 the confidentiality of trade secrets, it had to be clear
20 to these Ameren people why these changes were necessary.
21 I'm quite sure we discussed that there are other
22 technologies besides the patents that we want to
23 protect, including, maybe, using other formulations.
24 That must have come up. I can't imagine not saying
25 that.

1 Q. But you can't --

2 A. I can't remember a specific sentence that I
3 said.

4 Q. Okay. But you can't ever remember telling
5 them, "Look, I'm not going to use the Mushovic patents
6 even though you've got the Mushovic patents assigned to
7 you because I'm going to use this other technology."

8 It wasn't that clearly stated, was it?

9 A. It might have been, but remember, you put it as
10 if we're not going to use the Mushovic patents. That
11 was never a hard decision until we were in the facility,
12 and actually had to make some parts, and we discussed it
13 with John Taylor. It was not Wade Brown's, "We're not
14 going to use new technology."

15 Q. Okay. And during the negotiation phase, would
16 your testimony be any different on whether or not you
17 revealed the Mushovic patents would not be practiced?

18 A. I'm sorry. I didn't understand.

19 Q. I'm was focusing on the presentation phase.
20 During the negotiation phase -- you kind of slopped it
21 over to the negotiation phase by saying, "We negotiated
22 all these trade secrets."

23 Would your testimony be the same during the
24 negotiation phase?

25 A. I actually meant the negotiation phase.

1 Q. Okay. Very good. From a scientist's
2 standpoint, who made the decision not to practice under
3 the Mushovic patent? Was it you?

4 A. I don't know what that means.

5 Q. Well, John Taylor is not a scientist, correct?

6 A. Yes.

7 Q. Okay. You were the chief scientist at Century
8 Products, correct?

9 A. Yes.

10 Q. All the way until the time that you left on
11 February 18th, 2004?

12 A. Yes.

13 Q. Okay. As the chief scientist at Century
14 Products, at some point in time, did you make a
15 recommendation not to practice the Mushovic patents as
16 the most fruitful way to get a commercially viable
17 product out?

18 A. Yes.

19 Q. Okay. I want to know when you made that
20 decision. It's after you come into the Anaheim, but can
21 you give me some more detail on that?

22 A. Well, on a technical side, we were using the
23 non-Mushovic technology in New York for several years.

24 Q. Okay.

25 A. And what we were showing people and what we

1 were selling was mostly -- excuse me -- not all, but
2 mostly non-Mushovic products.

3 Q. Okay.

4 A. So, for us -- for me it was not a big decision
5 to all of a sudden, "We're going to change from Mushovic
6 to something else." We had already done that in our own
7 plant. What we had demonstrated to John Taylor and Ted
8 Butteriss when they visited was non-Mushovic technology.

9 Q. Okay.

10 A. So, it was -- we're already pretty immersed in
11 non-Mushovic products.

12 Q. Okay.

13 A. So, when I went to Anaheim, my first
14 inclination, of course, was, "Let's use the non-Mushovic
15 patents," because that's what we've been using for
16 years, but I knew I had to tell John or someone in
17 Century Products that, "By the way it isn't just the
18 patents we're going to be using," and I had to tell him
19 early before we negotiated all these agreements,
20 which -- because they had to protect the non-Mushovic
21 trade secrets, and we wanted the royalties to cover the
22 non-Mushovic trade secret products.

23 So, early on I just remember one particular day
24 sitting opposite John probably with Ted next to us--I'm
25 not sure of that, though--discussing my theory on why we

1 should use the new technology, and even though it sounds
2 like a big technical discussion, it mainly is not a
3 technical discussion. There are technical aspects to
4 it, but it's a business decision, and it also had to do
5 with patents. So, it was a business decision, "Should
6 we go with the new technology, or must we go back to the
7 patents," and we could do either.

8 Q. So, what was that non-scientific explanation
9 you gave?

10 A. The costs of the new technology were lower. It
11 was a cheaper system.

12 Q. Okay.

13 A. It had some equipment advantages. It didn't
14 require as much equipment. There were fewer
15 ingredients. In the place we were now situated,
16 Anaheim, there are air pollution concerns you would have
17 with Styrene, which is part of the Mushovic system.
18 That was -- it's solvable, but it was an expensive issue
19 to worry about, so the decision was made, "All right.
20 Let's not use Mushovic. Let's go with the new
21 technology," which had already proven in New York and
22 sold products.

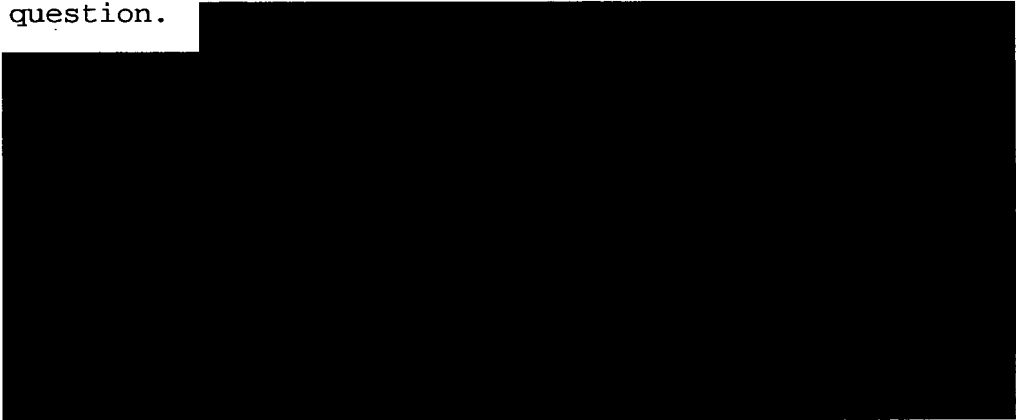
23 Q. Okay.

24 A. Big story.

25 Q. You had anticipated my next question, which was

1 why, and so you answered that for me, and I appreciate
2 that.

3 I don't want to get too far field away from
4 finishing off Exhibit 3 because I know that's somewhat
5 important, so I'd like to do that. Before we get back
6 into it, I want to ask you kind of a larger, more macro
7 question.



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14 Q. Okay. Now, what you understand Century
15 Products is using today, do you contend that any of it
16 was developed through the use of any of the trade
17 secrets that are listed on Exhibit 3 either trade
18 secrets when the agreement of November 26, 2002 was
19 entered into or still trade secrets today?

20 A. I'm sorry. It was too long, and I got lost.

21 Q. That's okay. Let me withdraw it and ask it
22 again.

23 Do you contend that there are any trade
24 secrets -- excuse me. Let me withdraw that.

25 Do you contend that what Century Products is

1 using today, its process, was developed through the use
2 of any trade secrets that are listed on Exhibit 3 that
3 are still trade secrets today?

4 A. Yes.

5 Q. Okay. Do you contend that Century Products is
6 still using any trade -- let me withdraw that.

7 Do you contend that the Century Products
8 process that they're using today was developed through
9 the use of any trade secrets that previously were trade
10 secrets as listed on Exhibit 3 but are no longer trade
11 secrets today? Do you understand the distinction?

12 A. Not exactly, no.

13 Q. Okay. Well, you have kindly told me that
14 Exhibit 3 was created at a time when all the matters
15 that were listed on it were considered to be a trade
16 secret either by you or Zack Taylor or the combination
17 of the two of you, correct?

18 A. Correct.

19 Q. But that has changed due to time?

20 A. Yes.

21 Q. Okay. And we thoroughly have been going
22 through each one of the those trade secrets that still
23 exist today, true?

24 A. True.

25 Q. To the extent -- what I'm interested in is

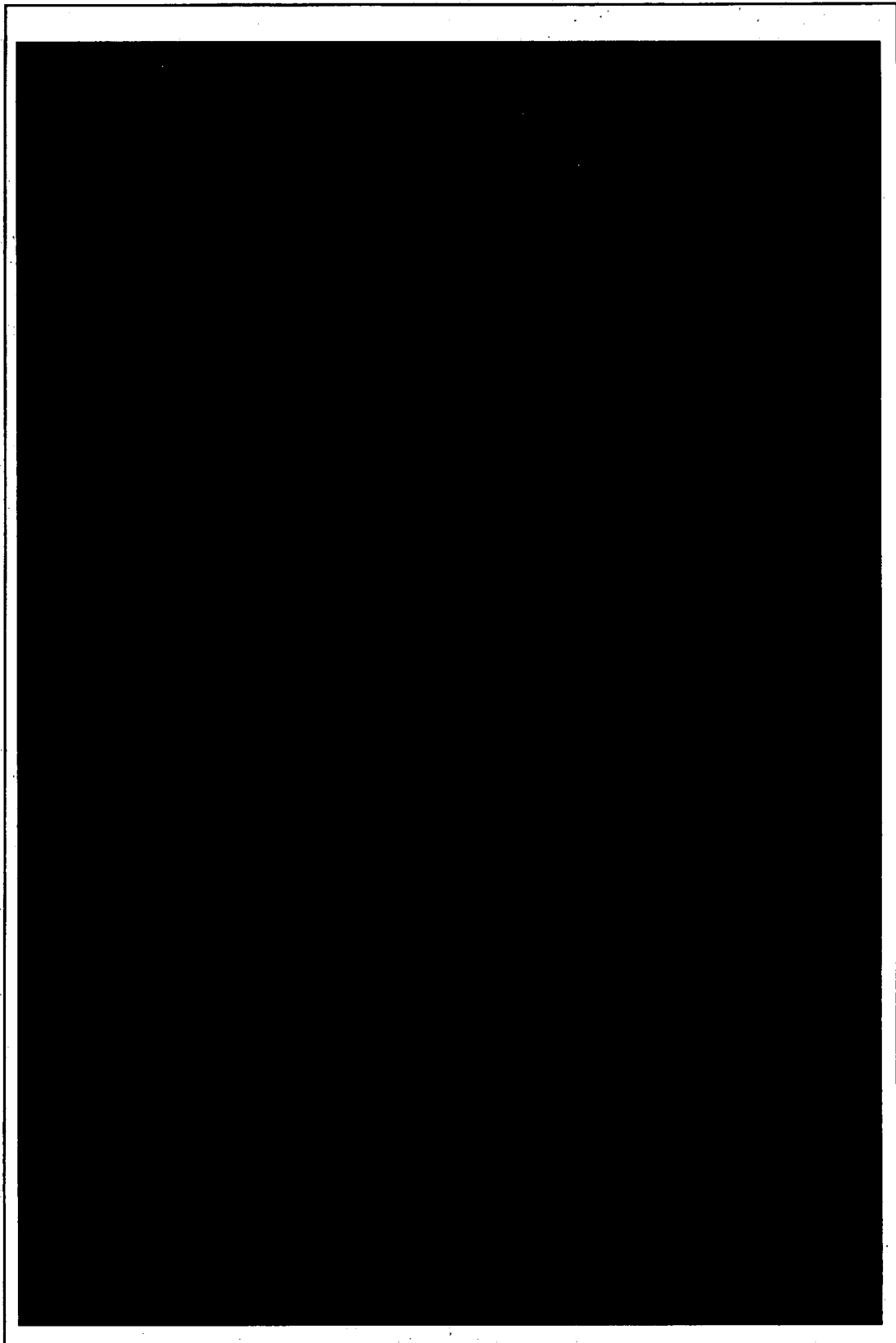
1 distinguishing the trade secrets that still exist today.
2 Do you believe that the Century-Board process -- Century
3 Products process that they're using today is developed
4 through the use of the older secrets, the stuff that was
5 a trade secret, but no longer is?

6 A. Certainly.

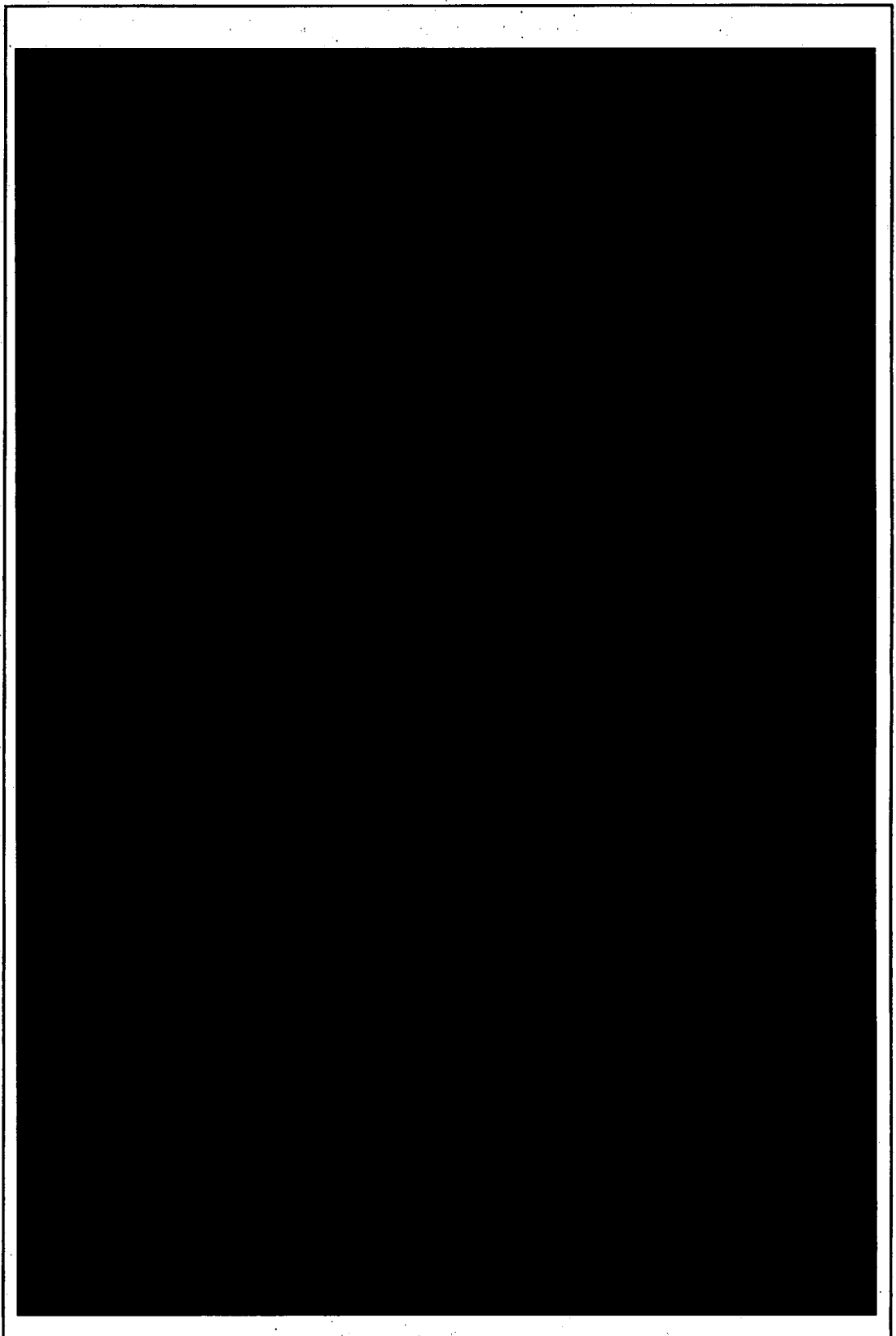
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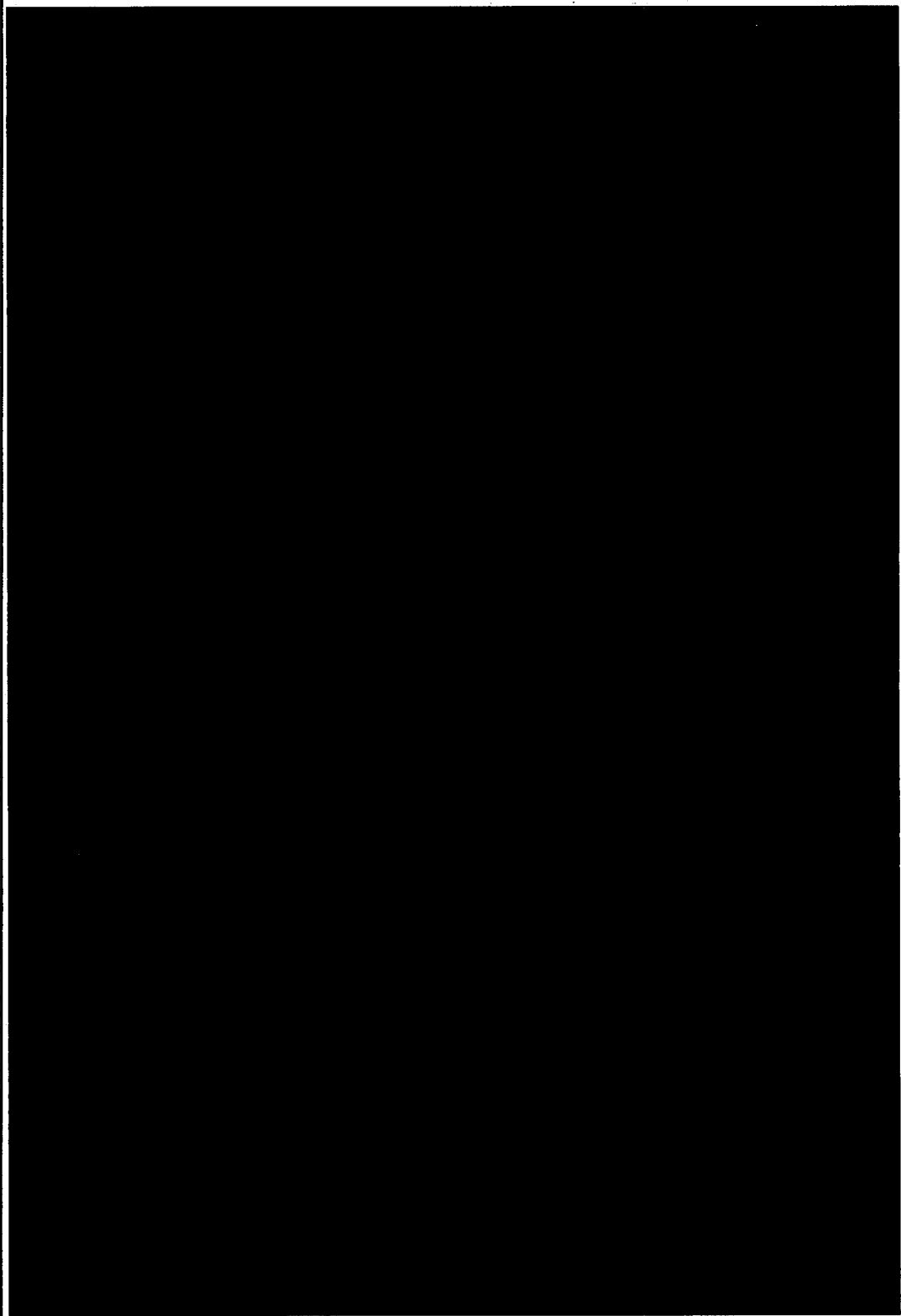
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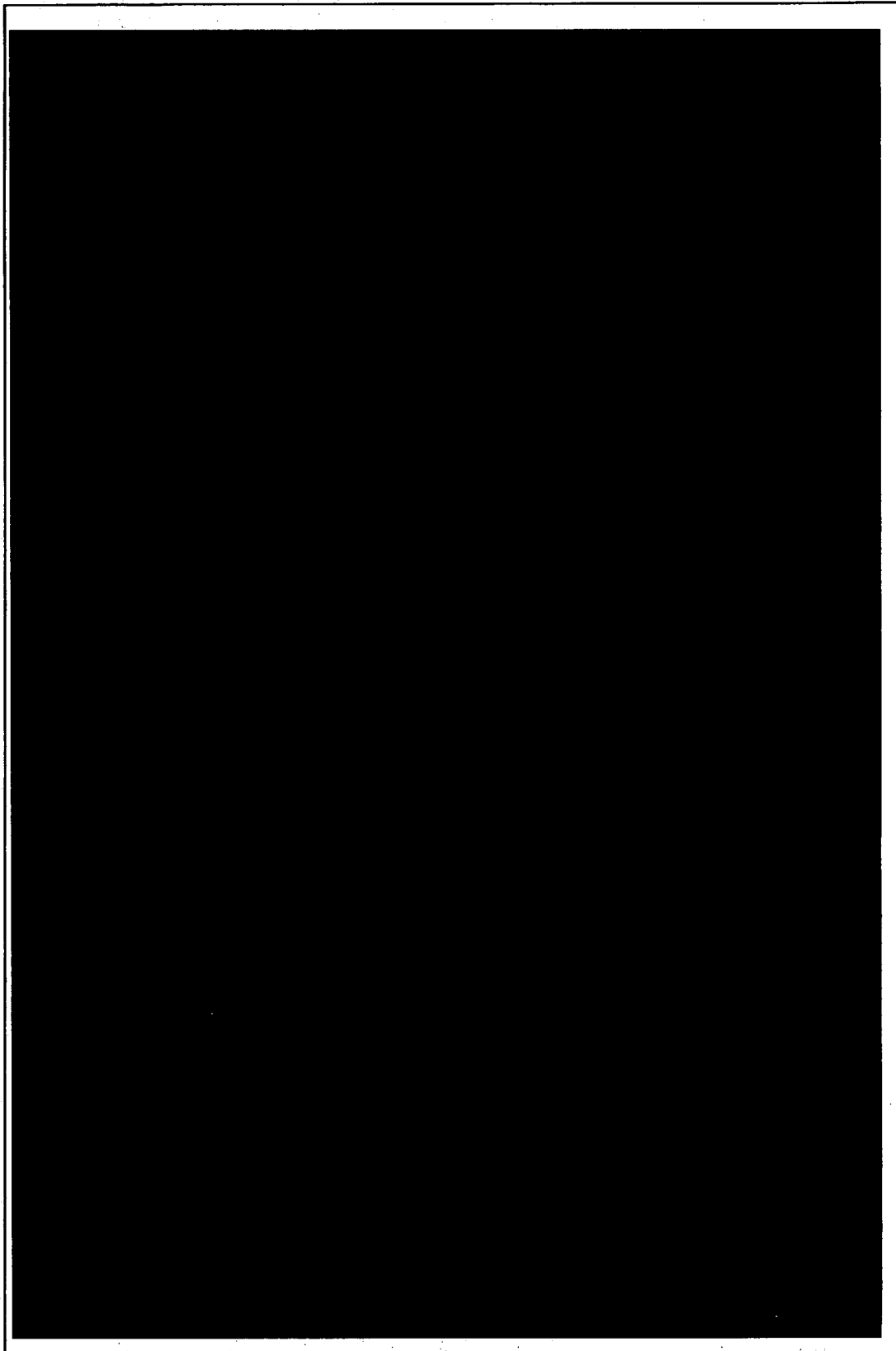
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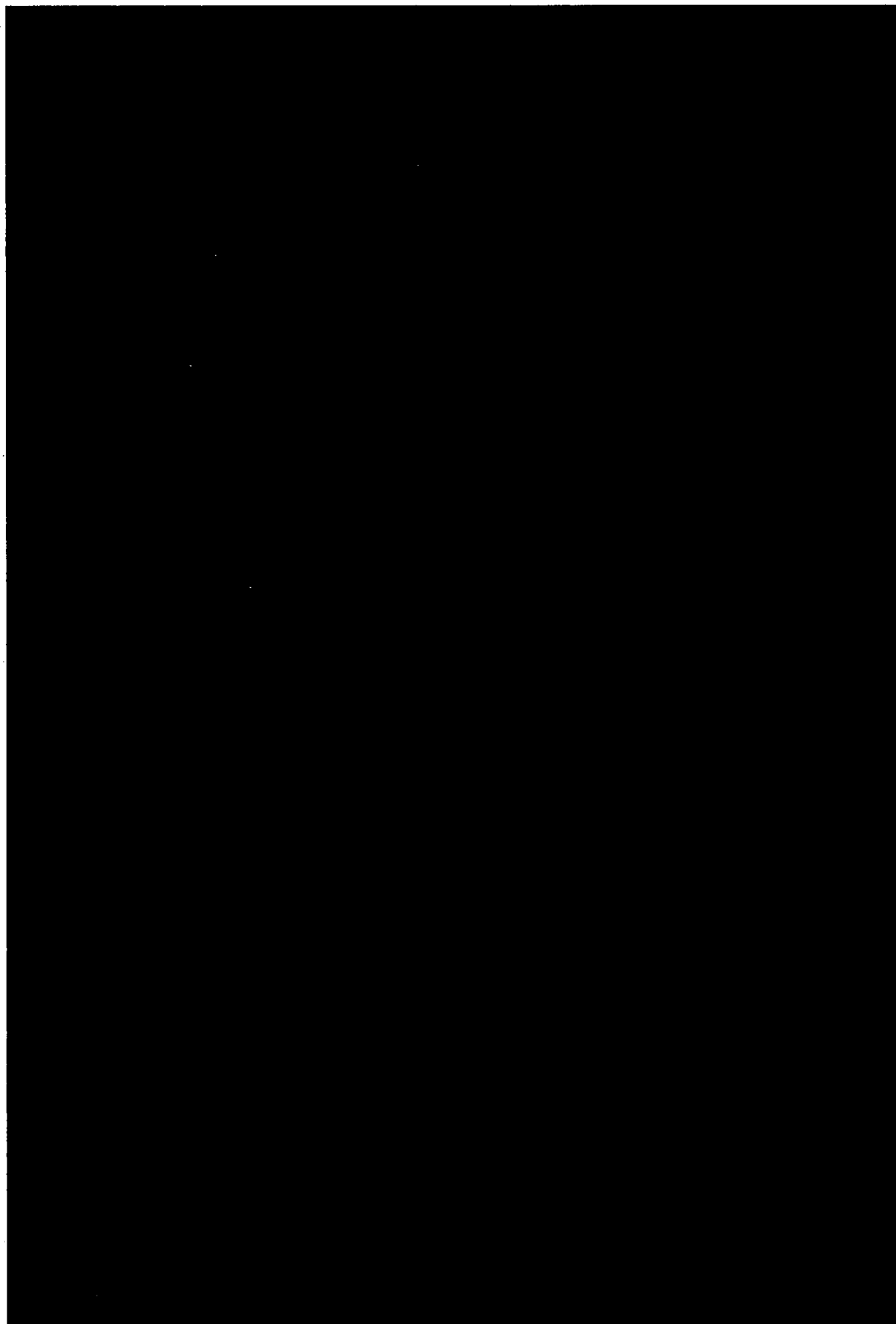
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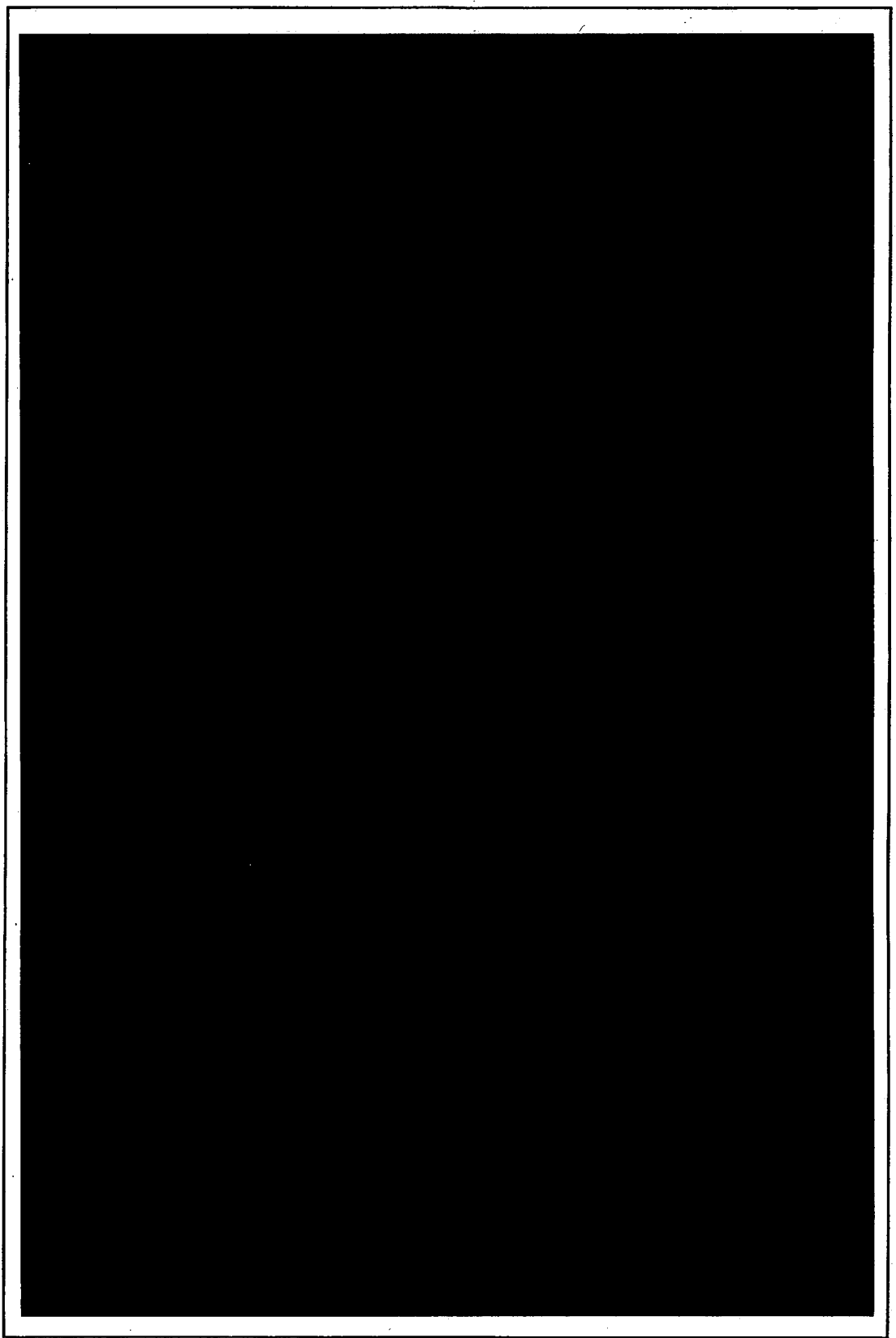
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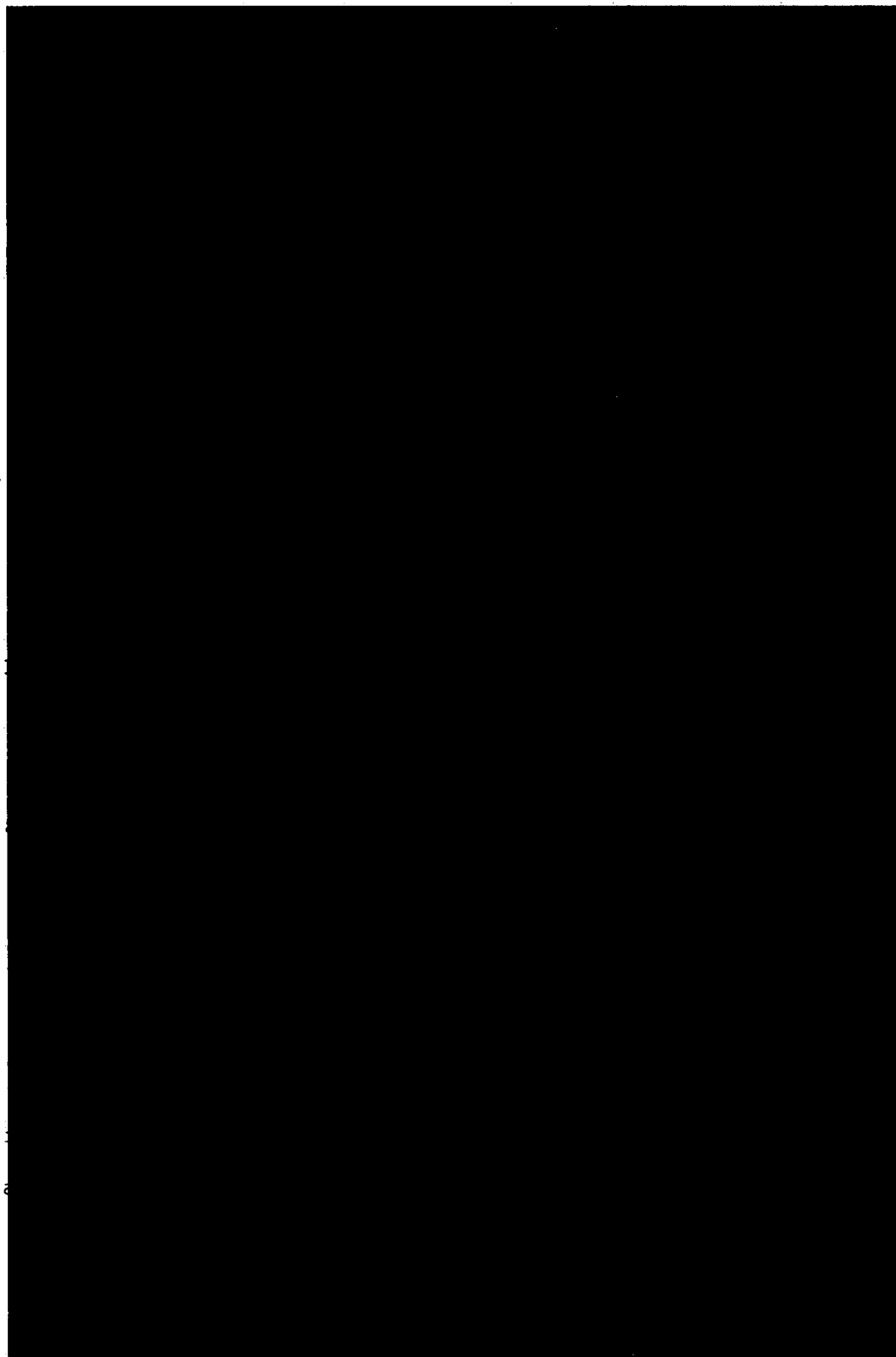
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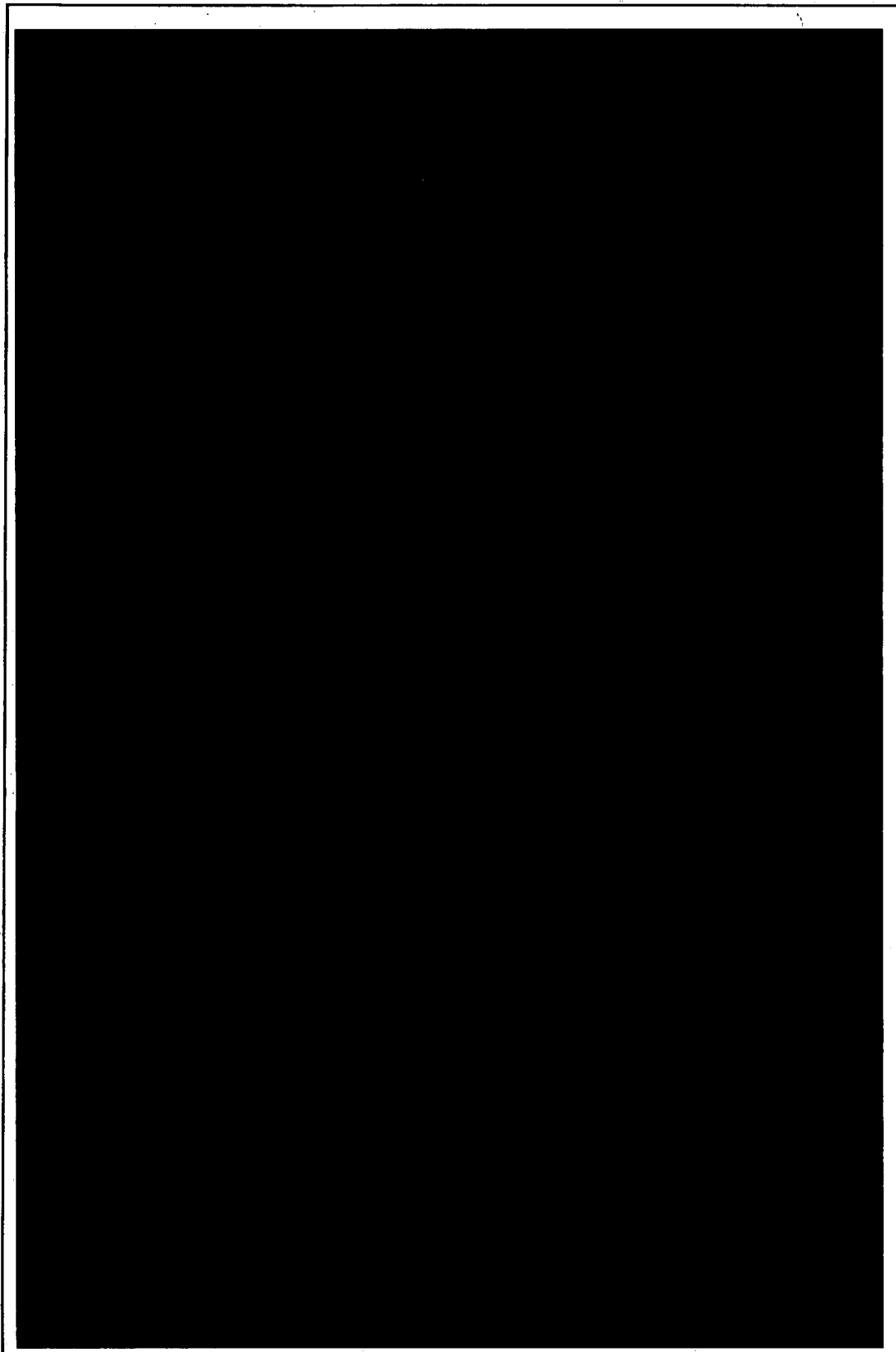
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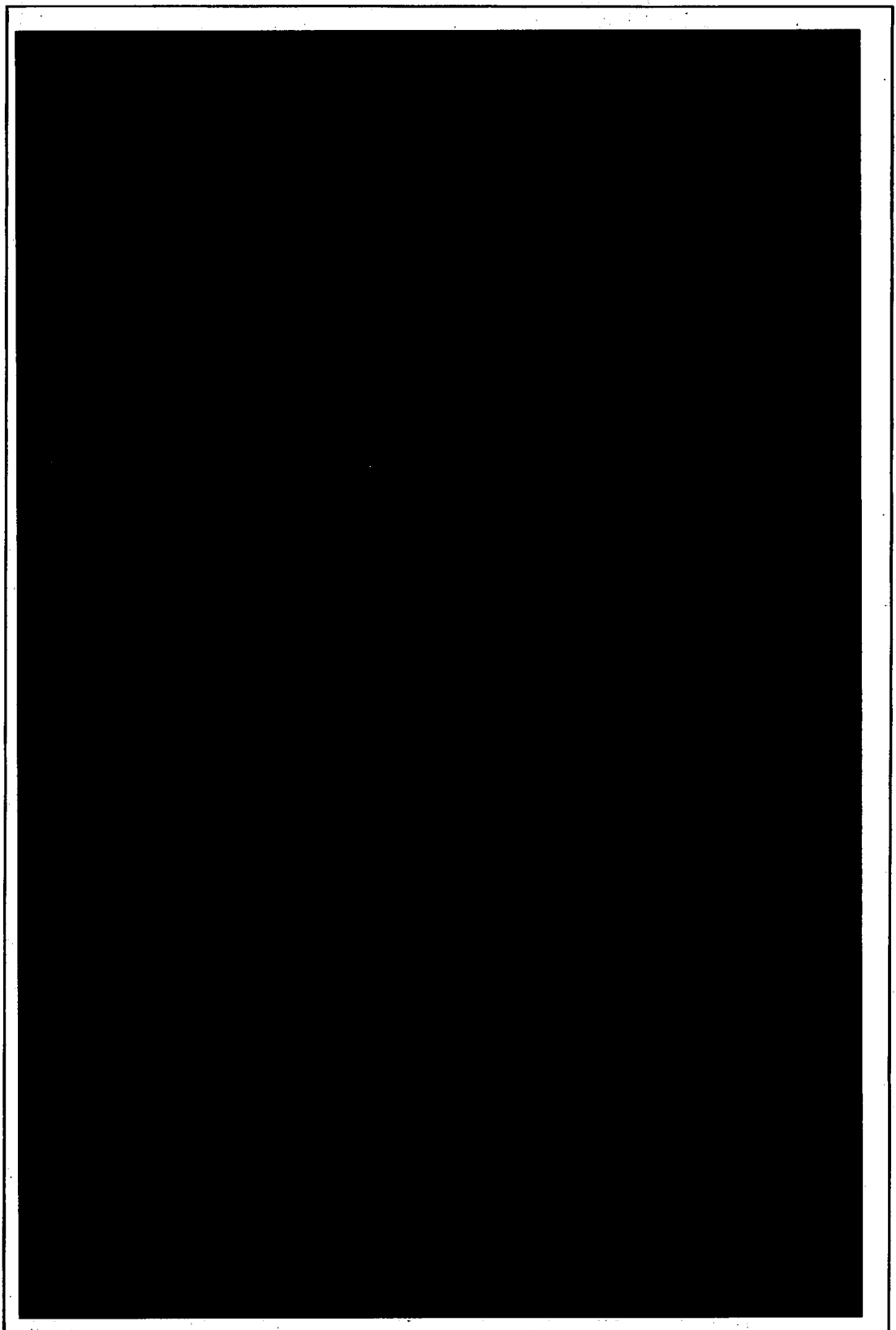
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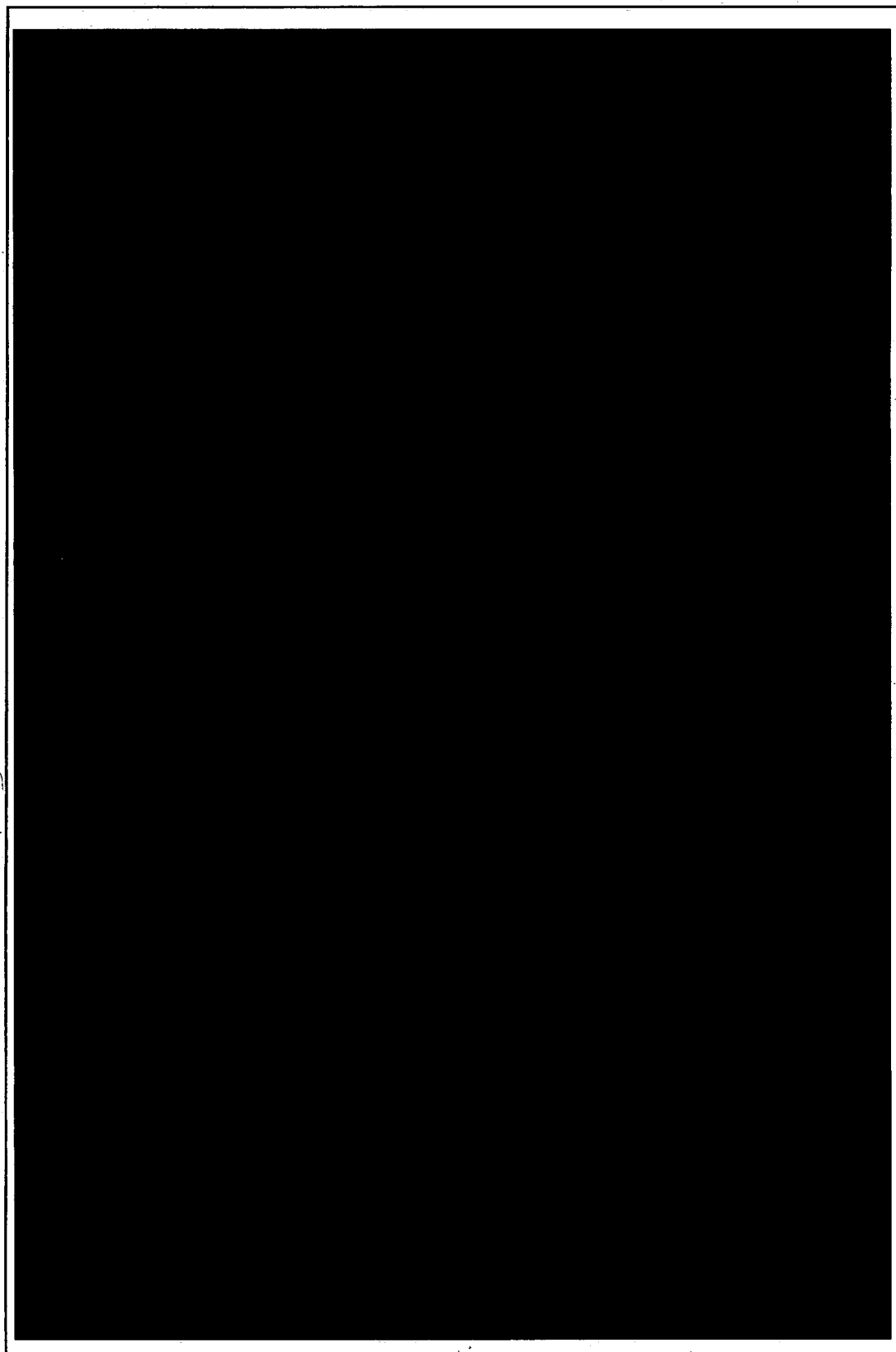
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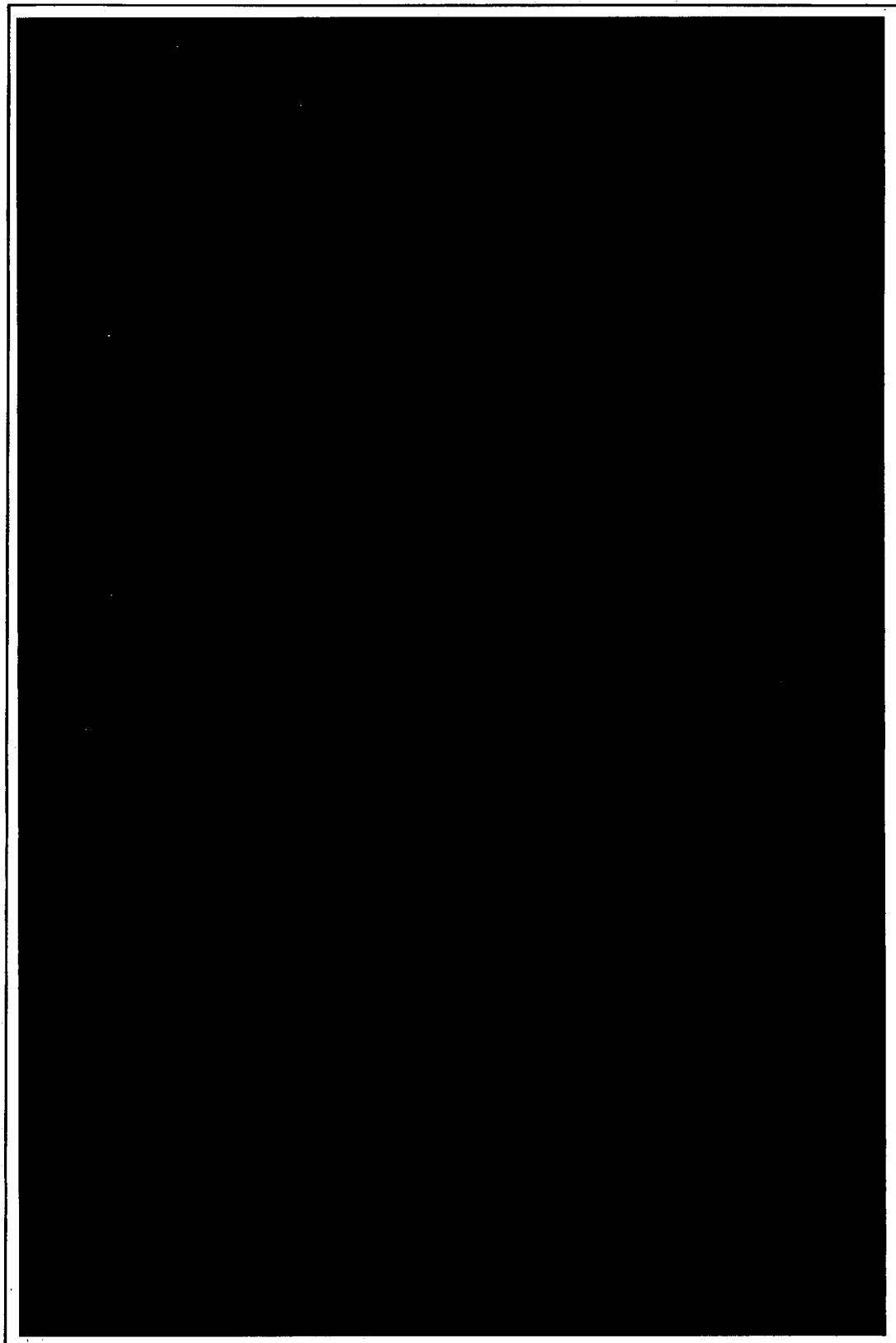
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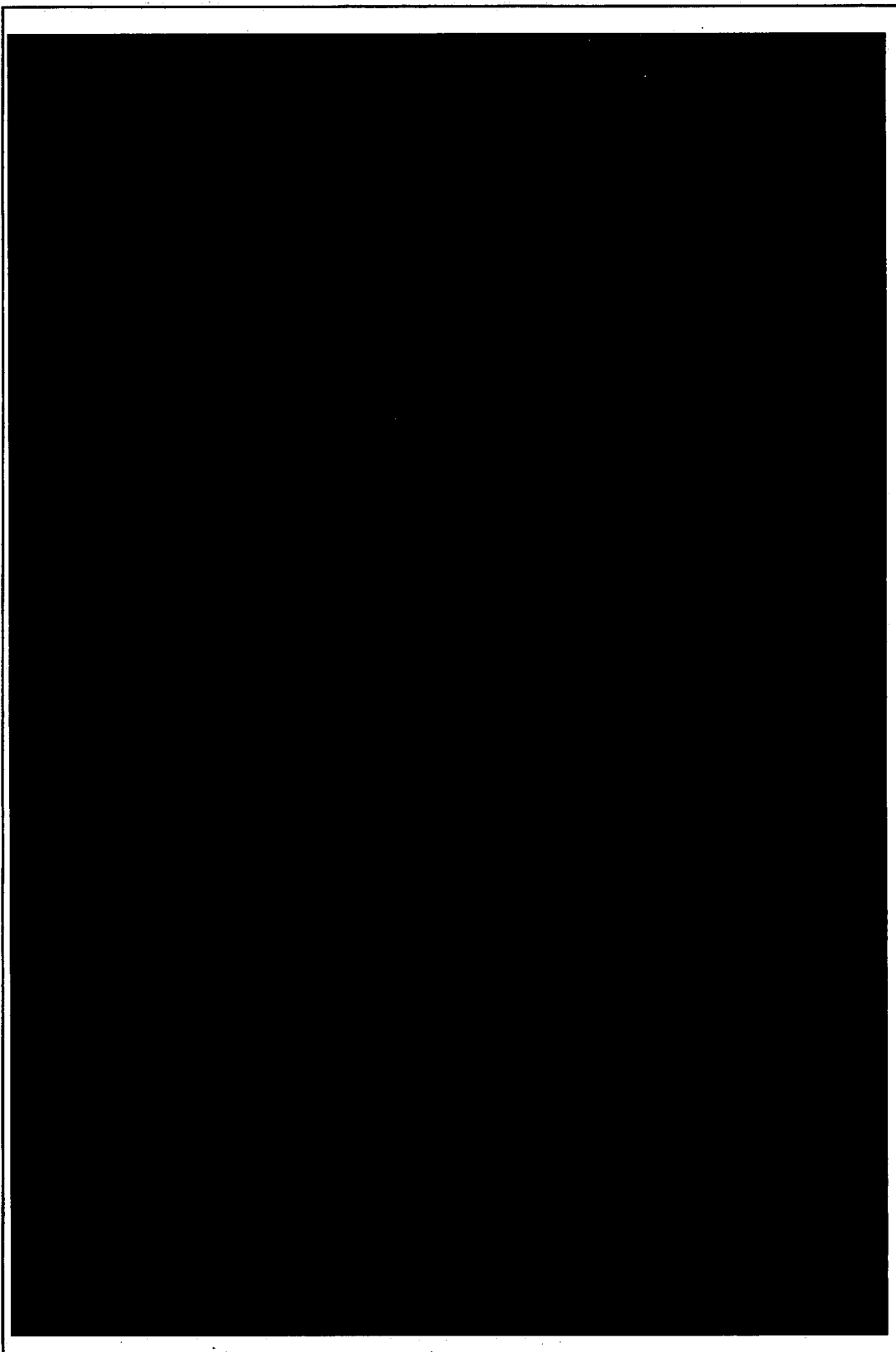
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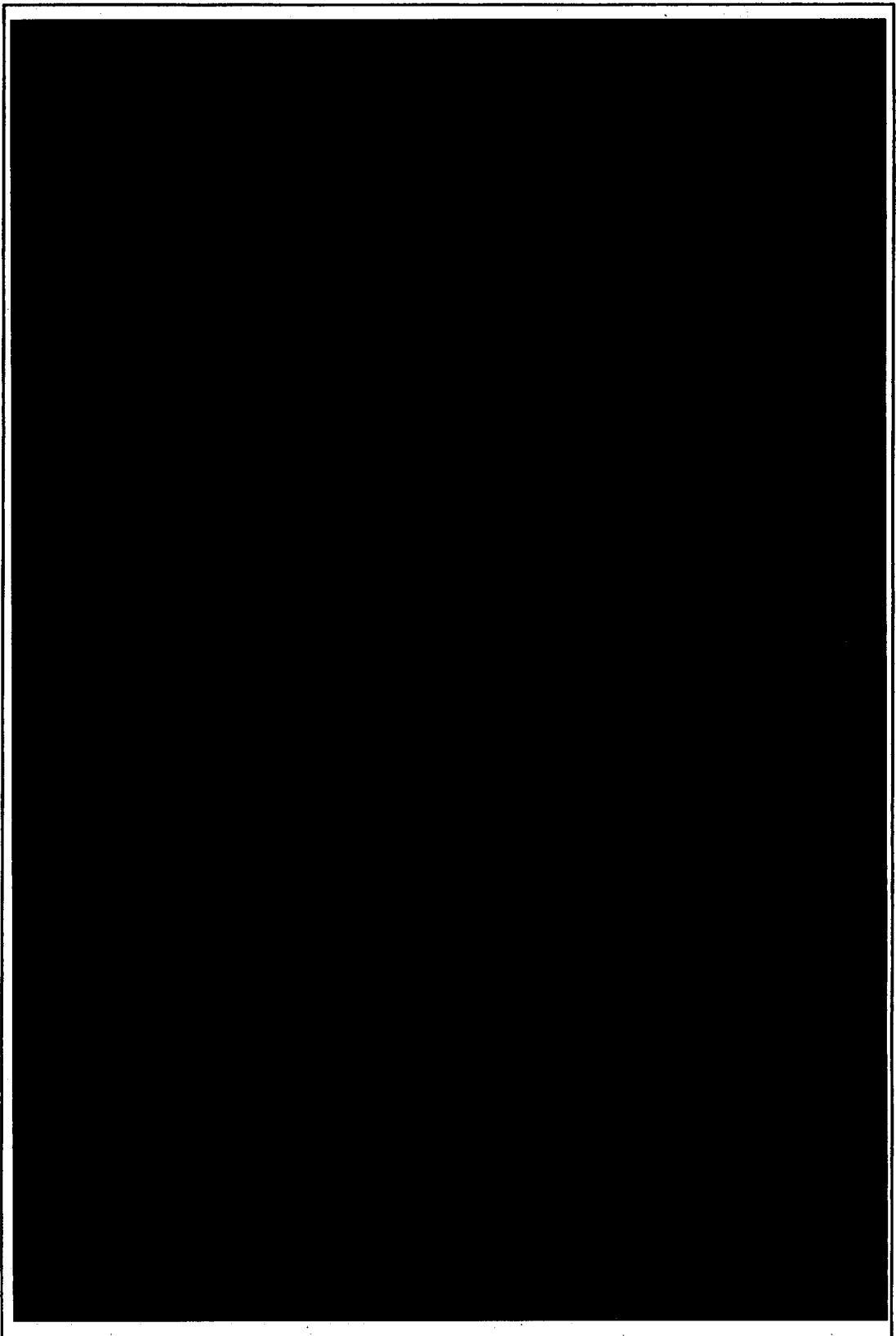
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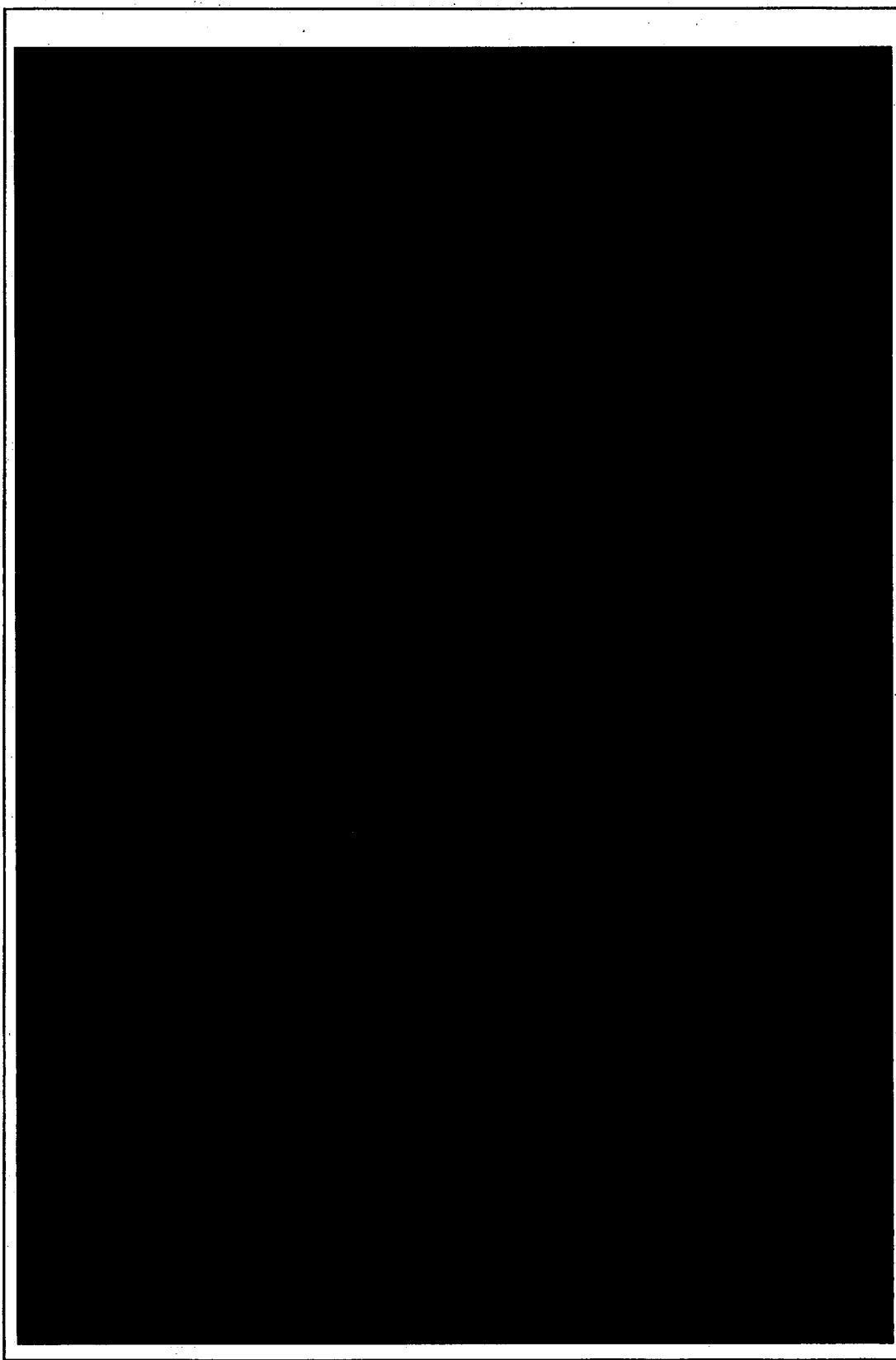
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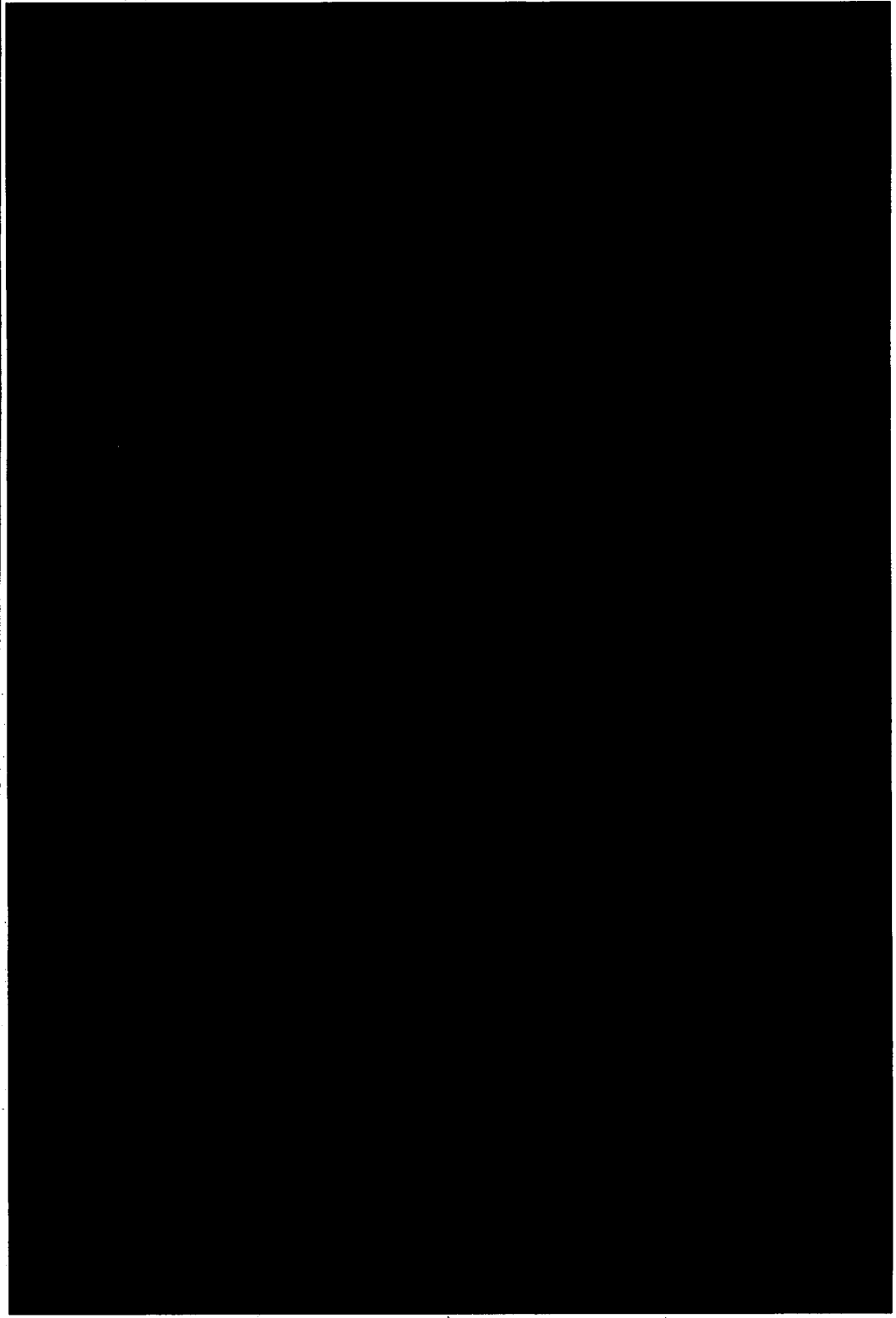
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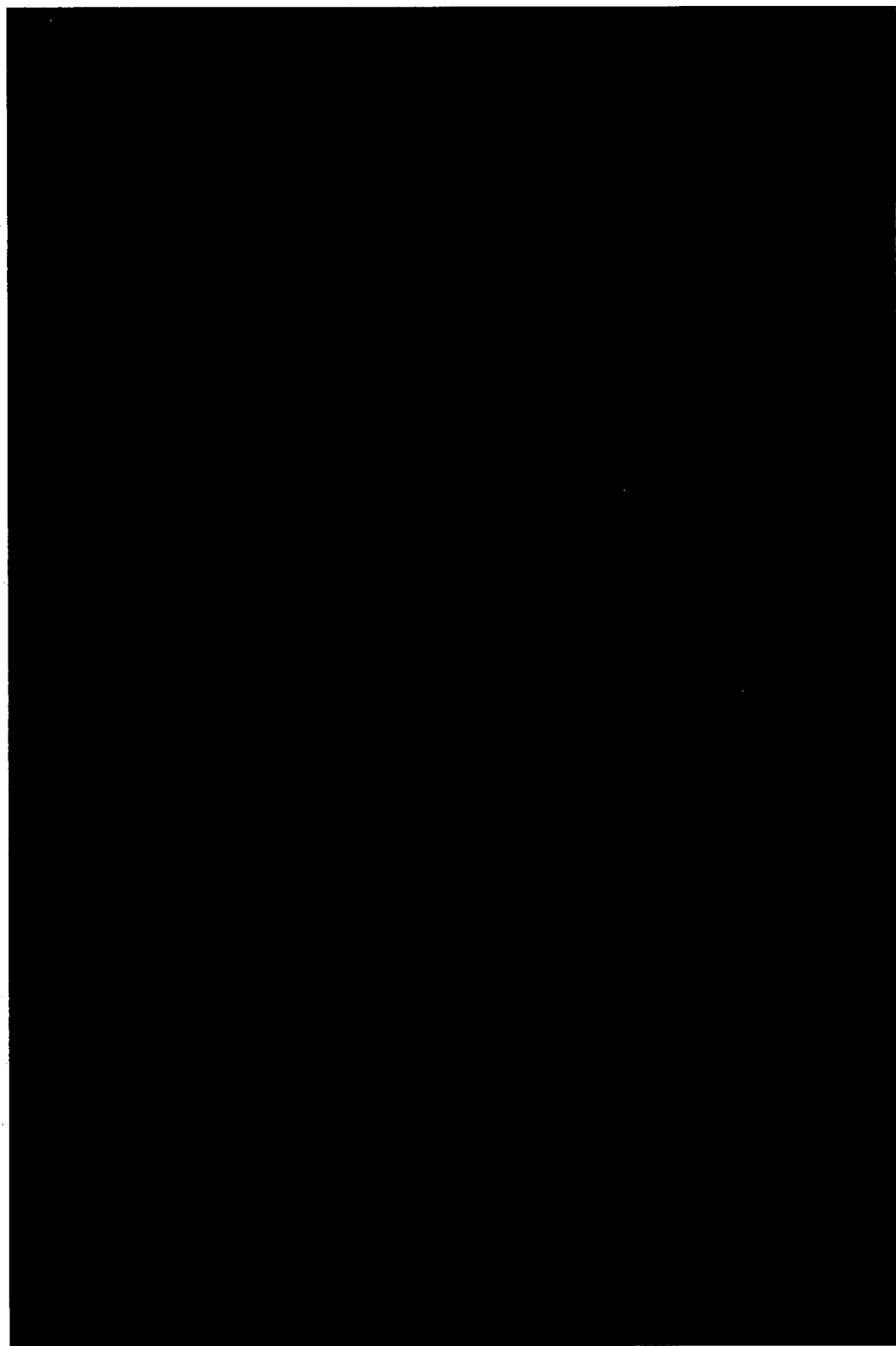
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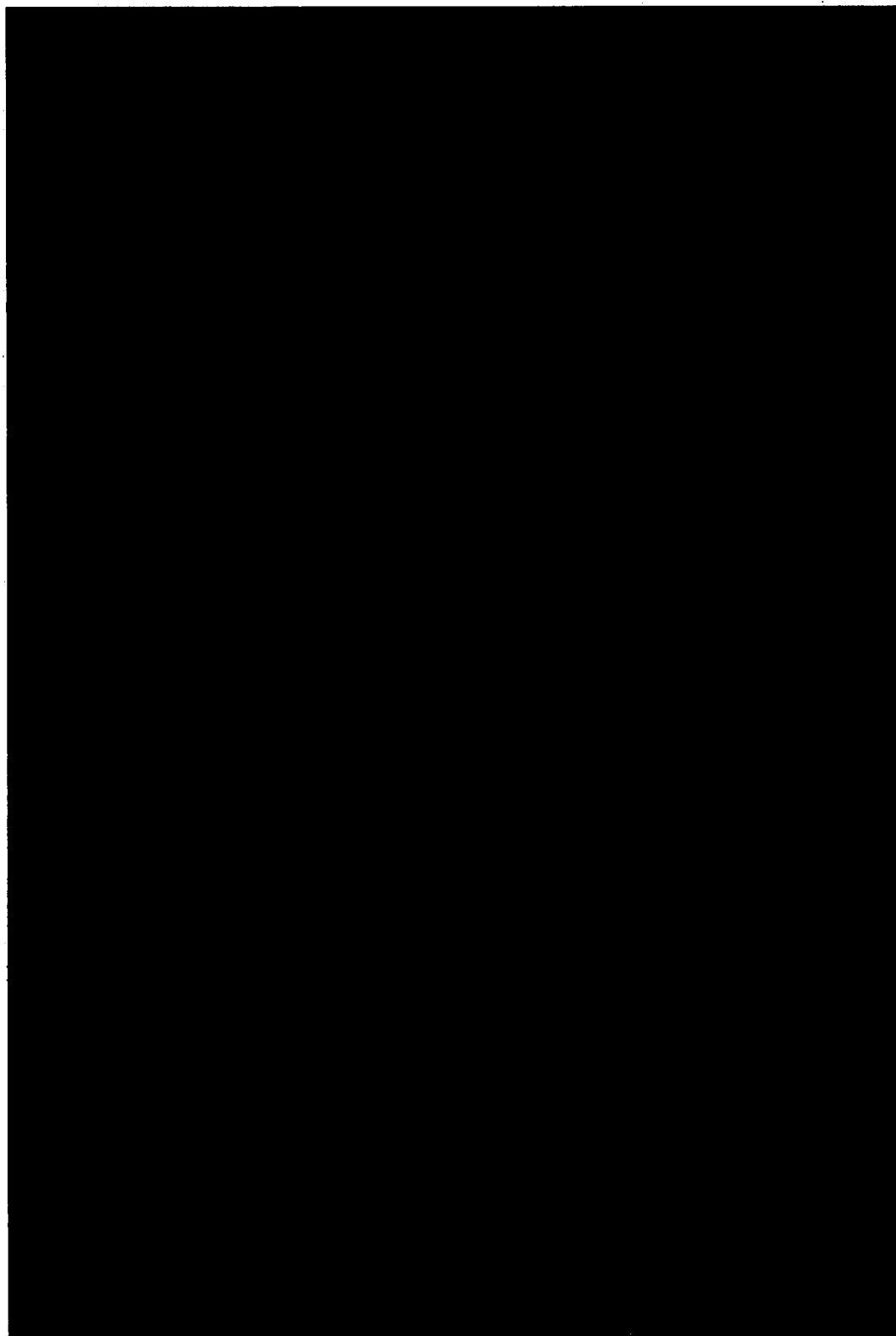
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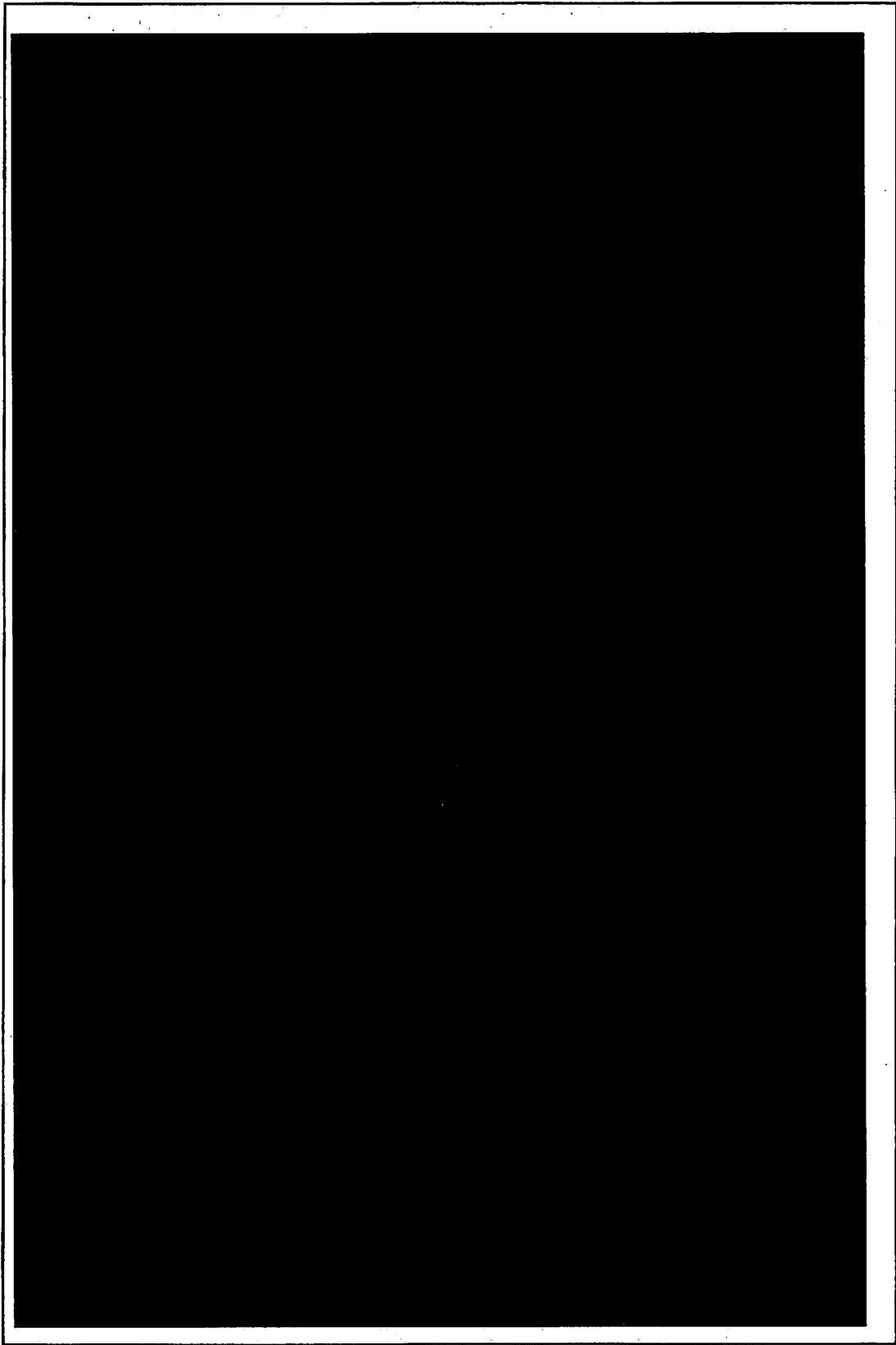
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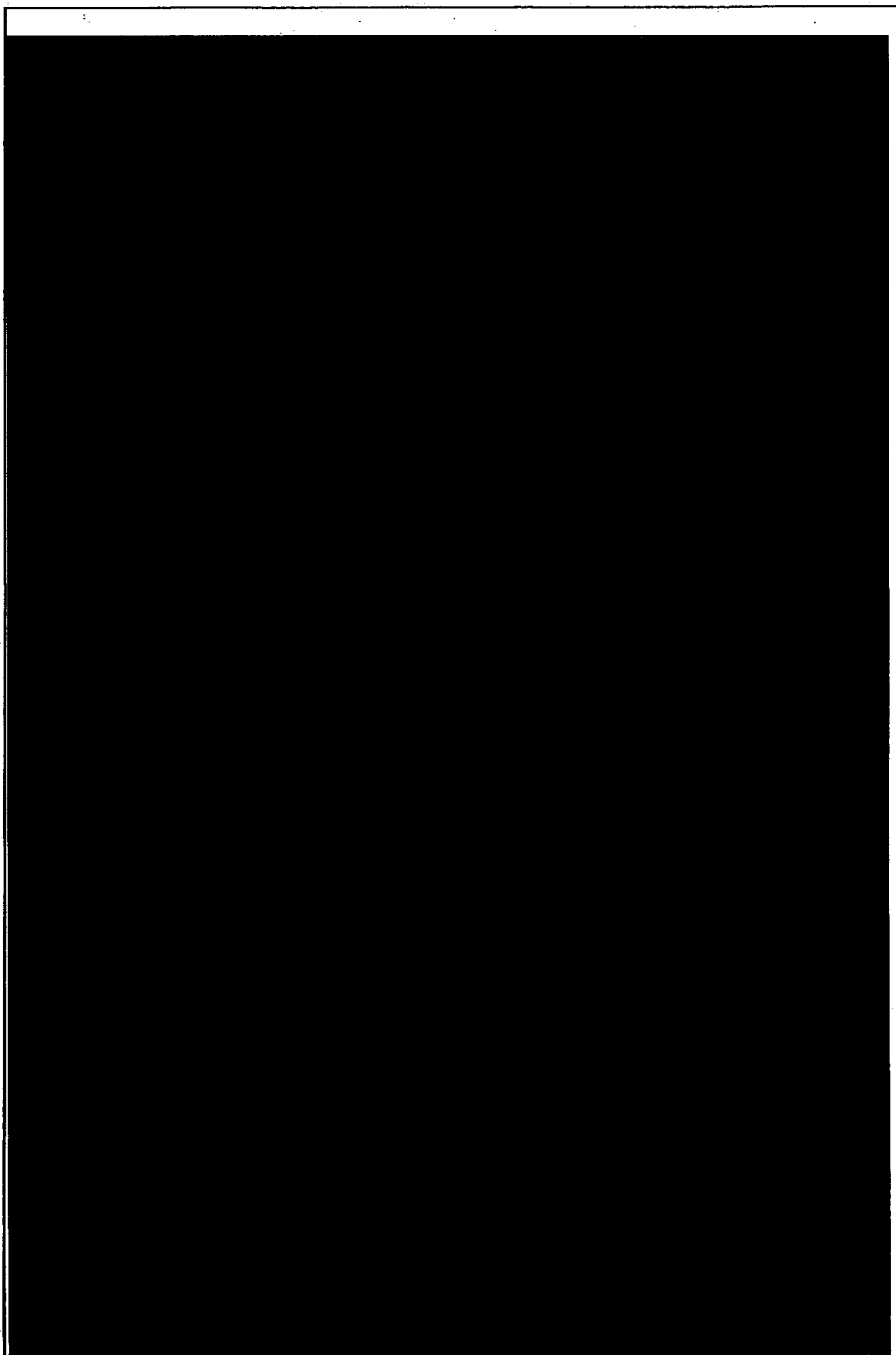
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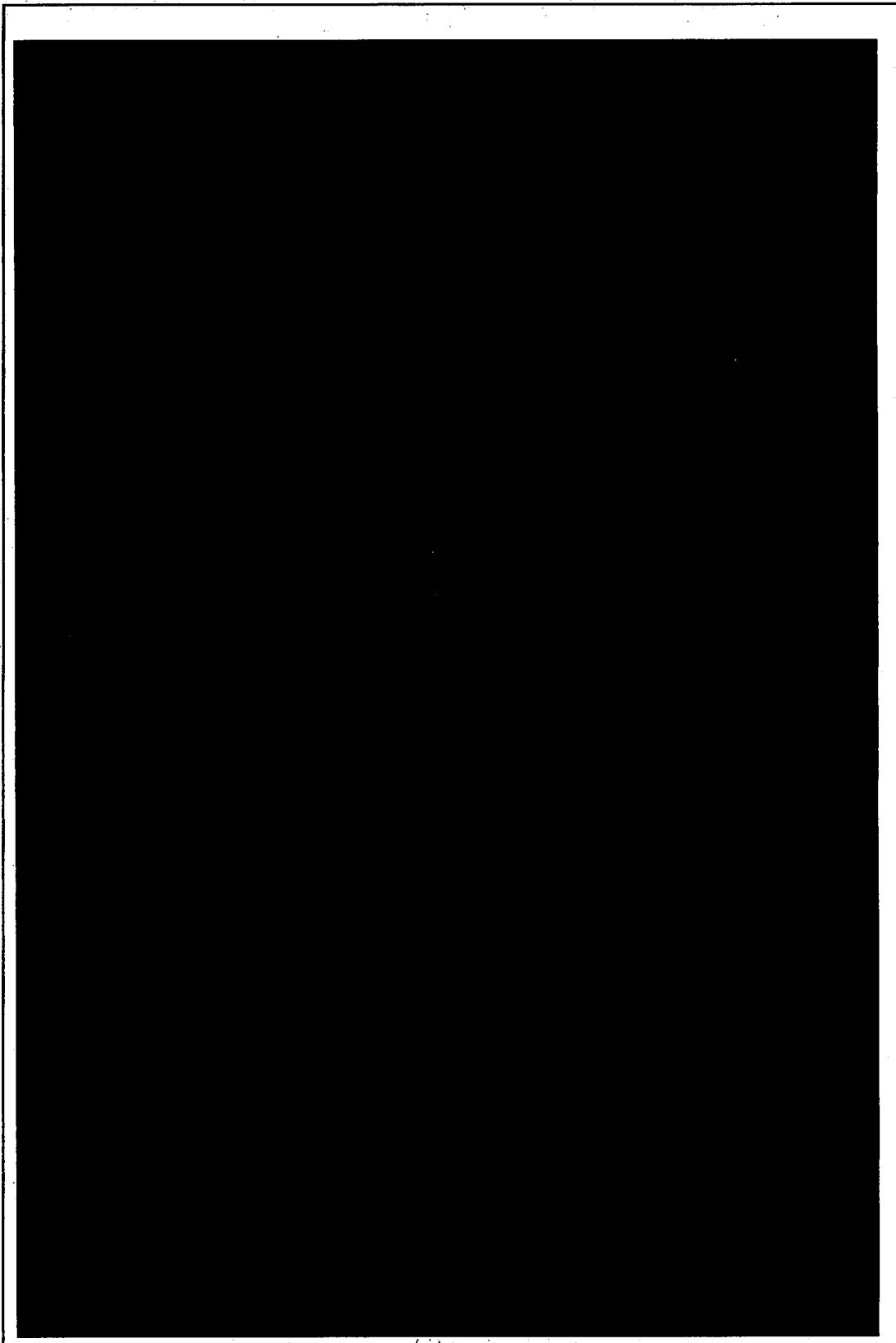
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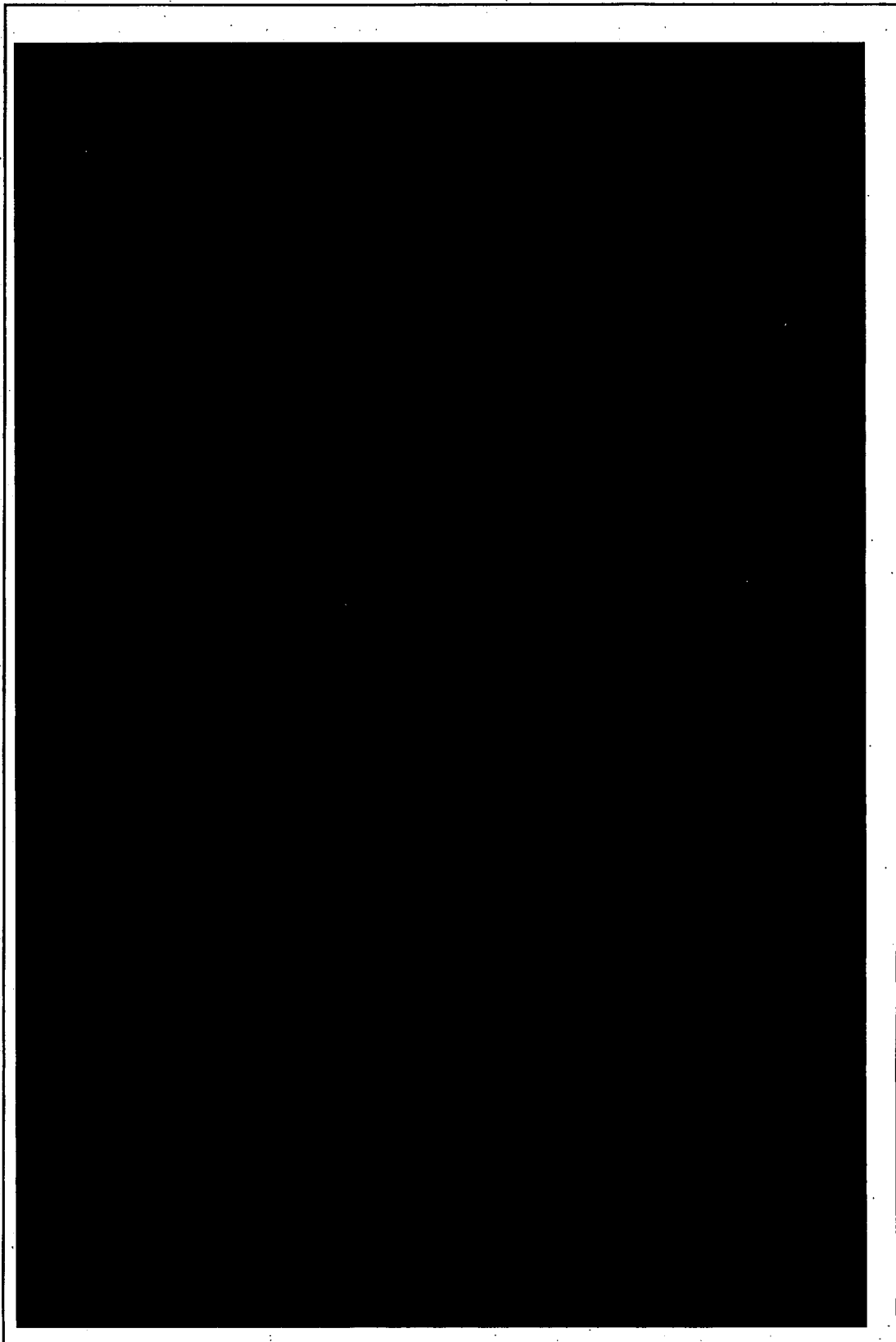
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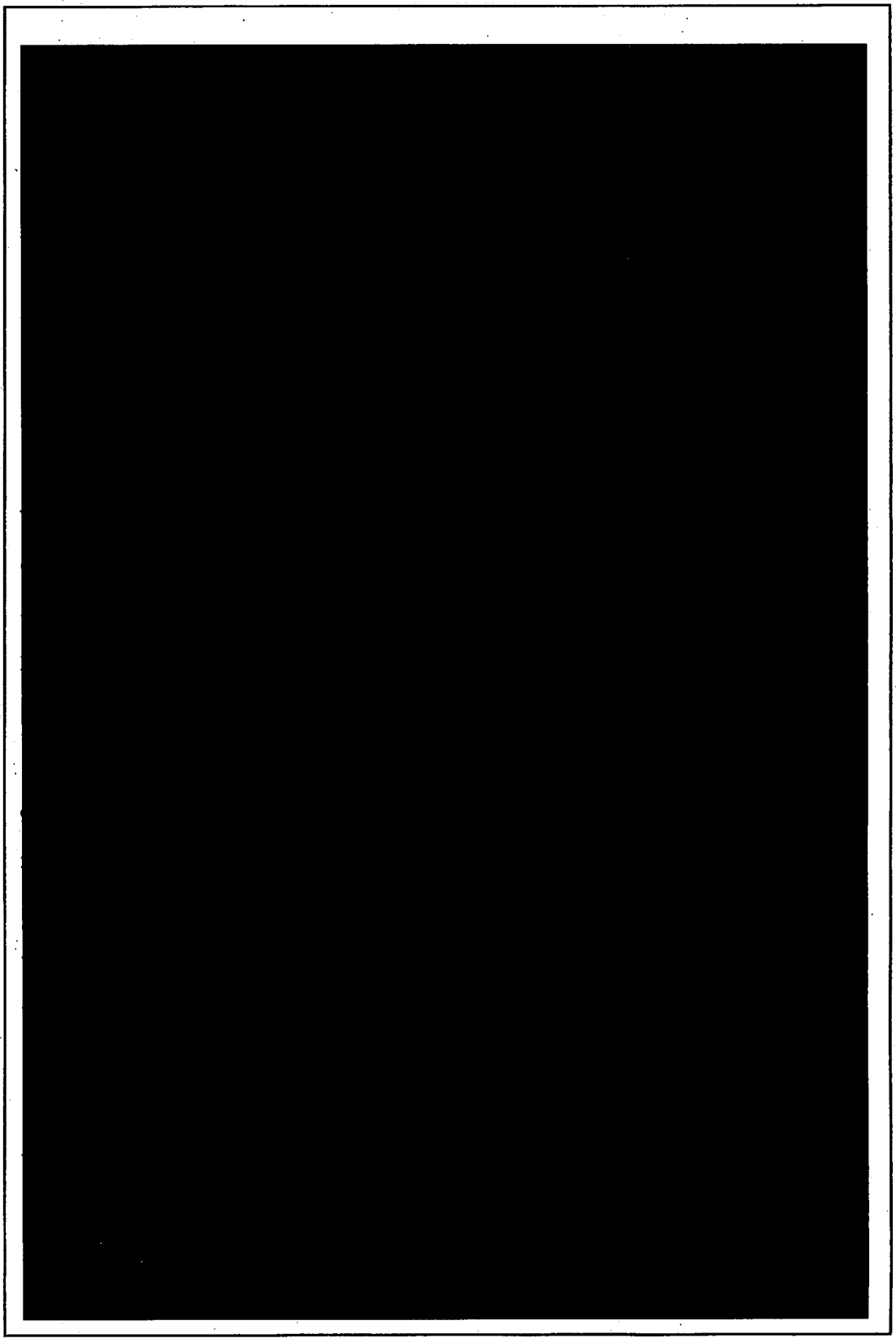
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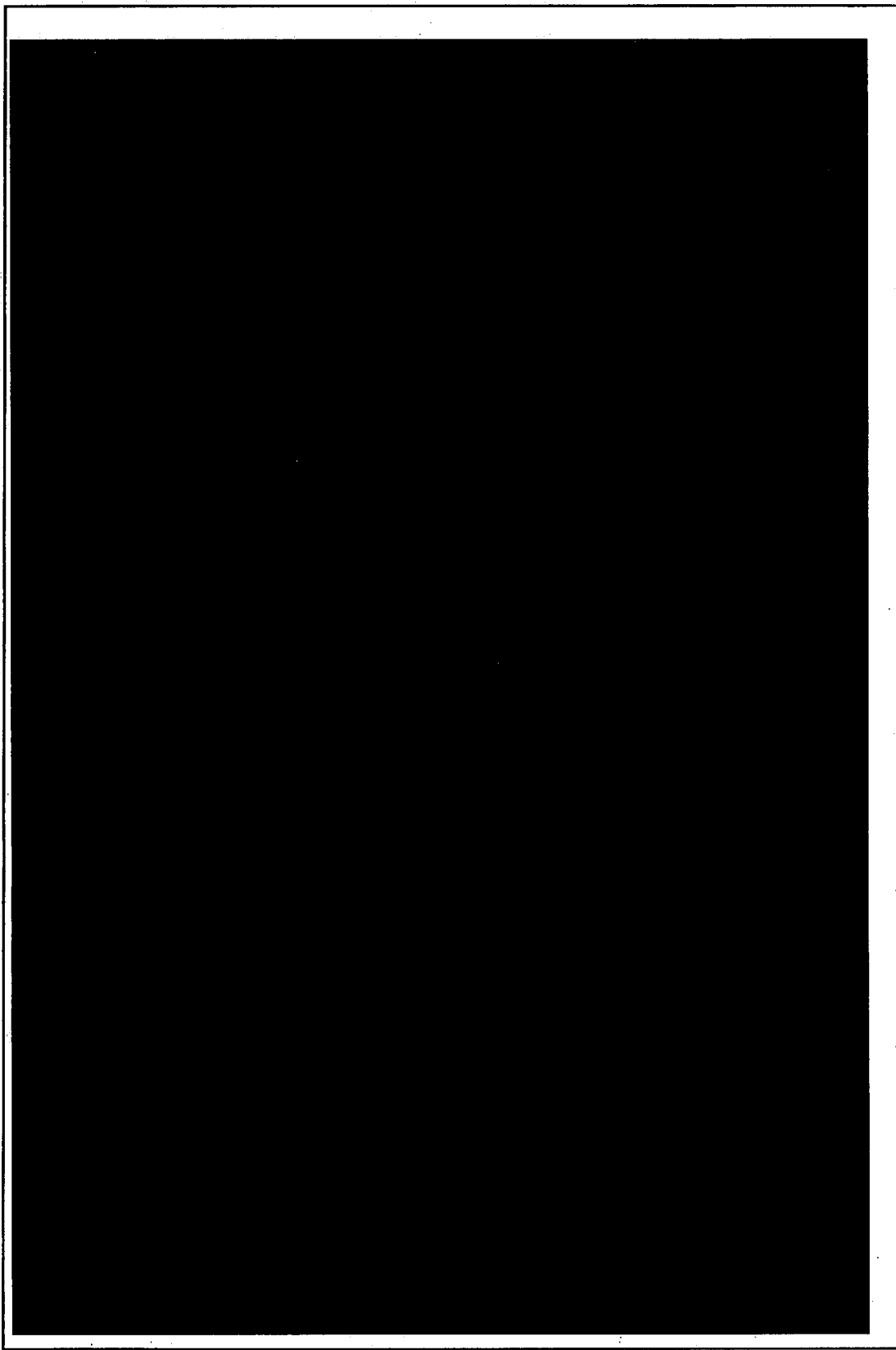
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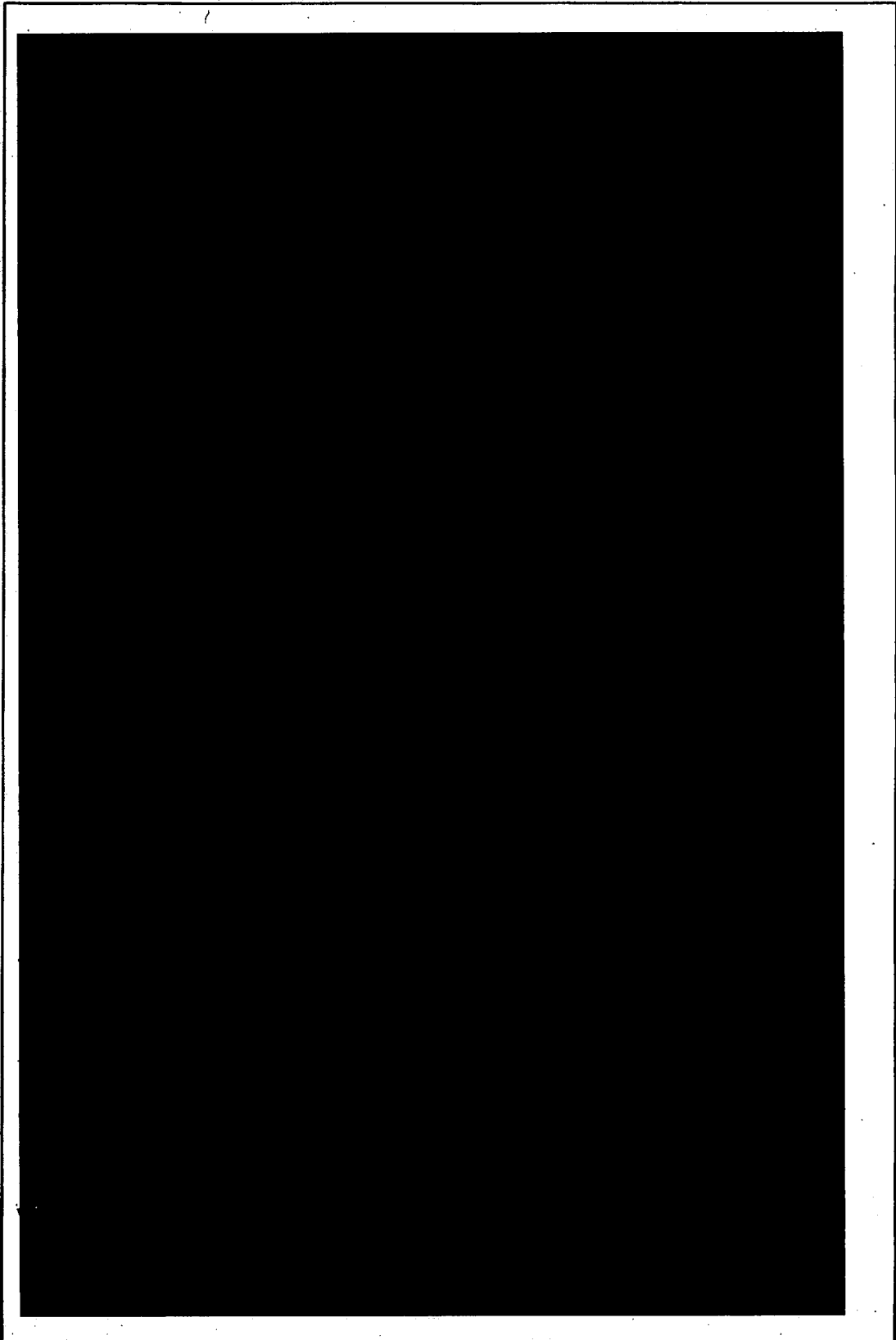
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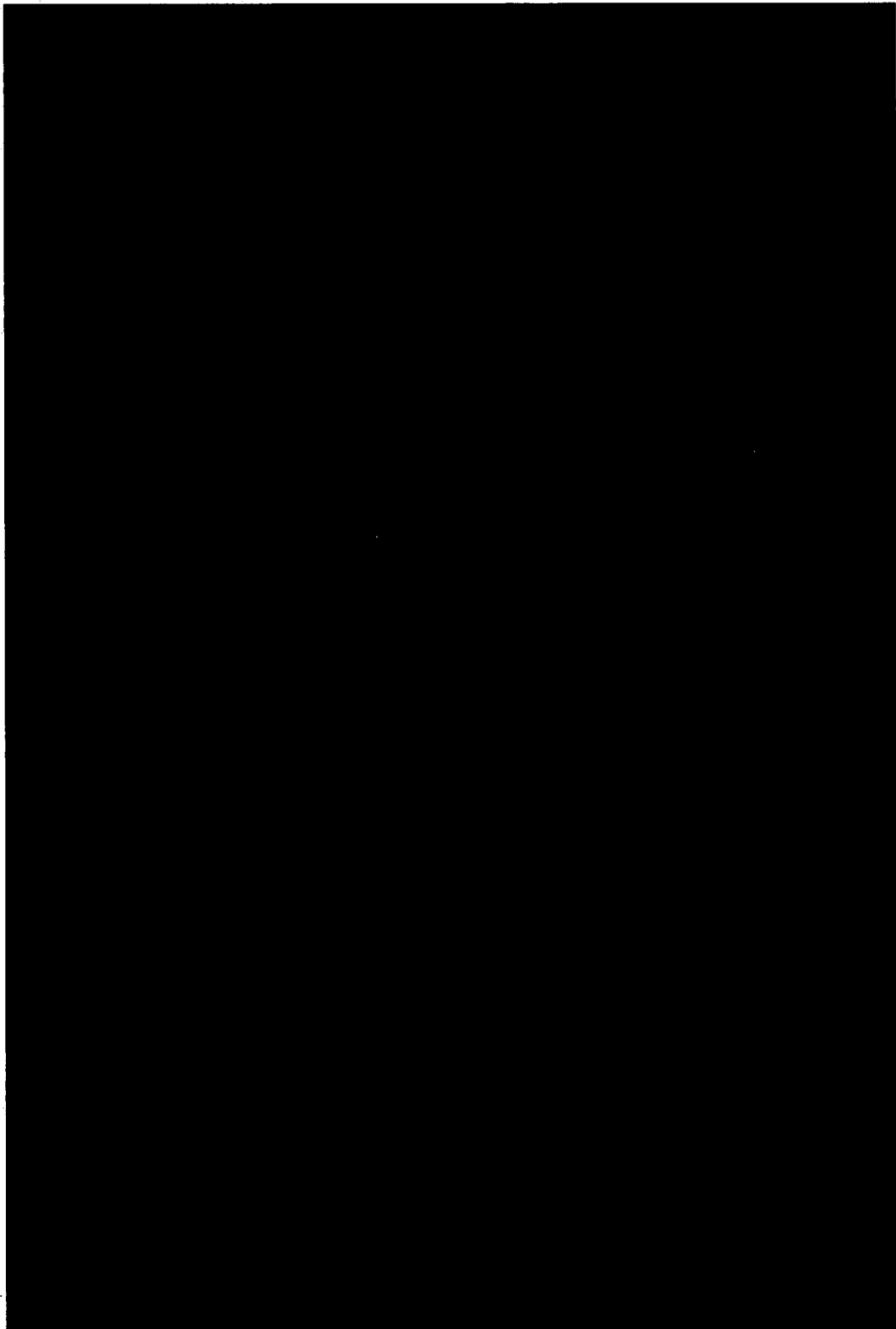
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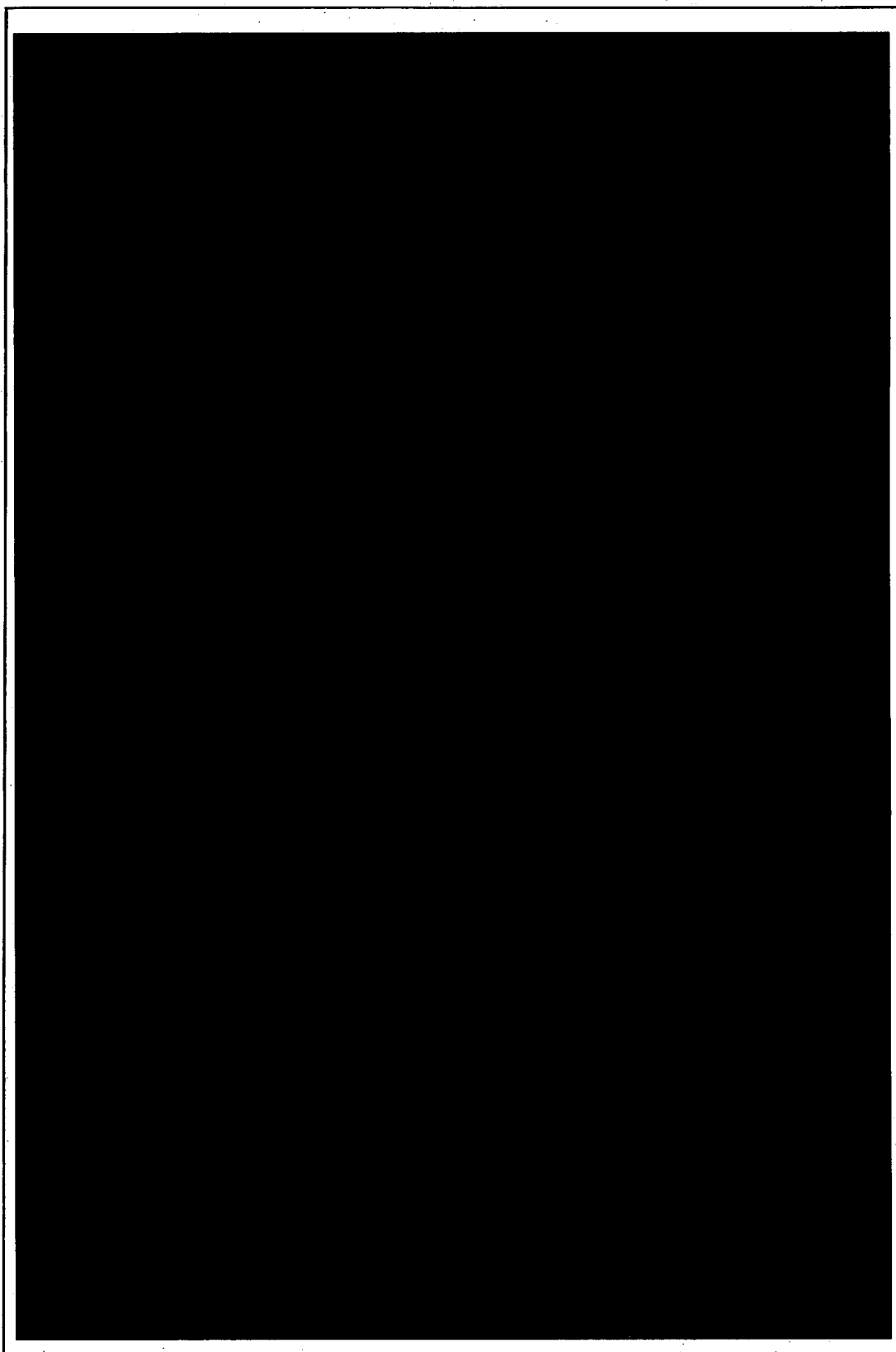
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Q. Okay. Thank you. Moving down to Zack Taylor in the former, it talks about, "Methods of folding thin belts around extrudate to prevent leakage at corners."

Do you see that?

A. Yes.

Q. Okay. Now, that's no longer a trade secret, correct? That's not one of the ones you identified.

A. That's correct.

Q. Okay. At the time this was created, it was considered, at least, by Zack Taylor to be a trade secret?

A. Yes.

Q. That's your understanding, right?

A. Yes.

Q. Okay. What does that mean?

1 A. Actually, I may have overlooked that one. The
2 reason I didn't mark it yellow was that I thought these
3 were all covered by his patents applications. I don't
4 think that is in the patent application, but I'll
5 explain what it means.

6 Q. Do you still consider it a trade secret today?

7 A. I think that is a trade secret.

8 Q. See why we do this stuff?

9 A. Thank you for that.

10 Q. You're welcome.

11 A. That'll change everything.

12 Q. It changes the whole thing. We can go home.

13 All right. So, explain to me because we use the
14 ubiquitous term here of methods. That's my
15 characterization.

16 What is it?

17 A. In some of the belt designs that Zack has --
18 I'll be more specific. In one of the belt designs that
19 Zack has, he has four conveyor belts that are flat, not
20 curved like you saw in Anaheim with round corners, just
21 flat belts against one another.

22 Q. Right.

23 A. And that is a way urethanes are made nowadays
24 for foam. They're as big as this room. Big conveyor
25 belts with foam coming through.

1 Q. Right.

2 A. We thought, "Well, that's a way to make our
3 lumber." You can make lumber that way. Very
4 inexpensive, simple, but it leaks out the joints. He
5 developed a design to put in thin corner pieces, which
6 would stop the leakage and make a good piece of lumber,
7 and also it could be rounded on the corners, which those
8 are not, and that's what that is.

9 Q. Okay. Is that described in any of his drawings
10 as far as you know?

11 A. Yes.

12 Q. Do you have those in any of your books?

13 A. These are the missing bunch of Zack drawings
14 somewhere.

15 Q. Okay. And does Century Products' process
16 today, including its apparatus use that -- is it
17 developed through the use of that trade secret to the
18 best of your knowledge?

19 A. No.

20 Q. I'm going to move on down to, "Single rolled
21 belt through air-supported forming die."

22 Do you see that?

23 A. Yes.

24 Q. Is that a process -- excuse me. Is that a
25 trade secret at the time this was created that the

1 Century-Board process, including its apparatus --

2 MR. ROBINSON: Century Products.

3 BY MR. TREMBLAY:

4 Q. Let me withdraw.

5 "Single rolled belt through air-supported
6 forming die," is that a trade secret at the time this
7 was created that the Century Products process, including
8 its apparatus is developed through the use of?

9 A. No.

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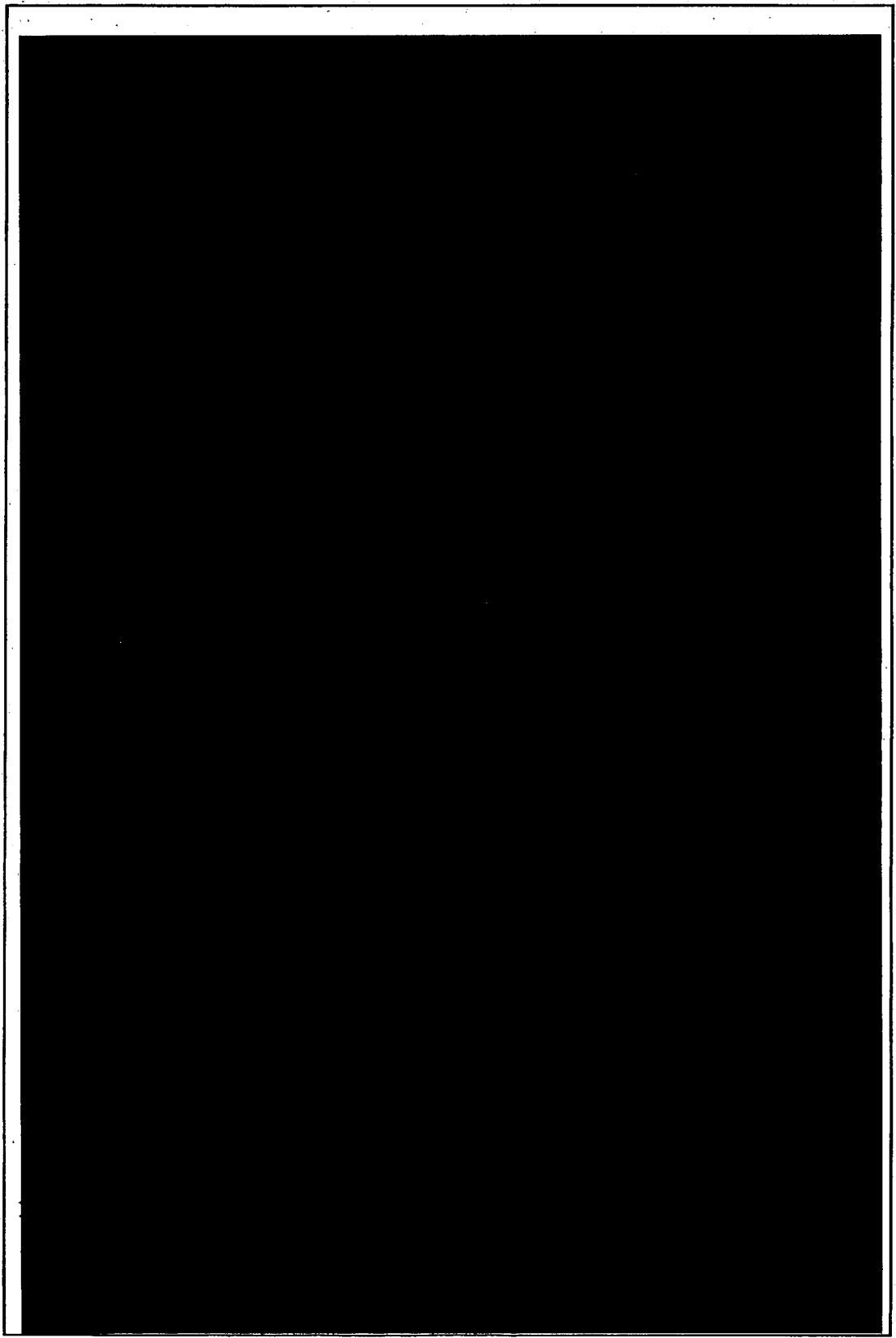
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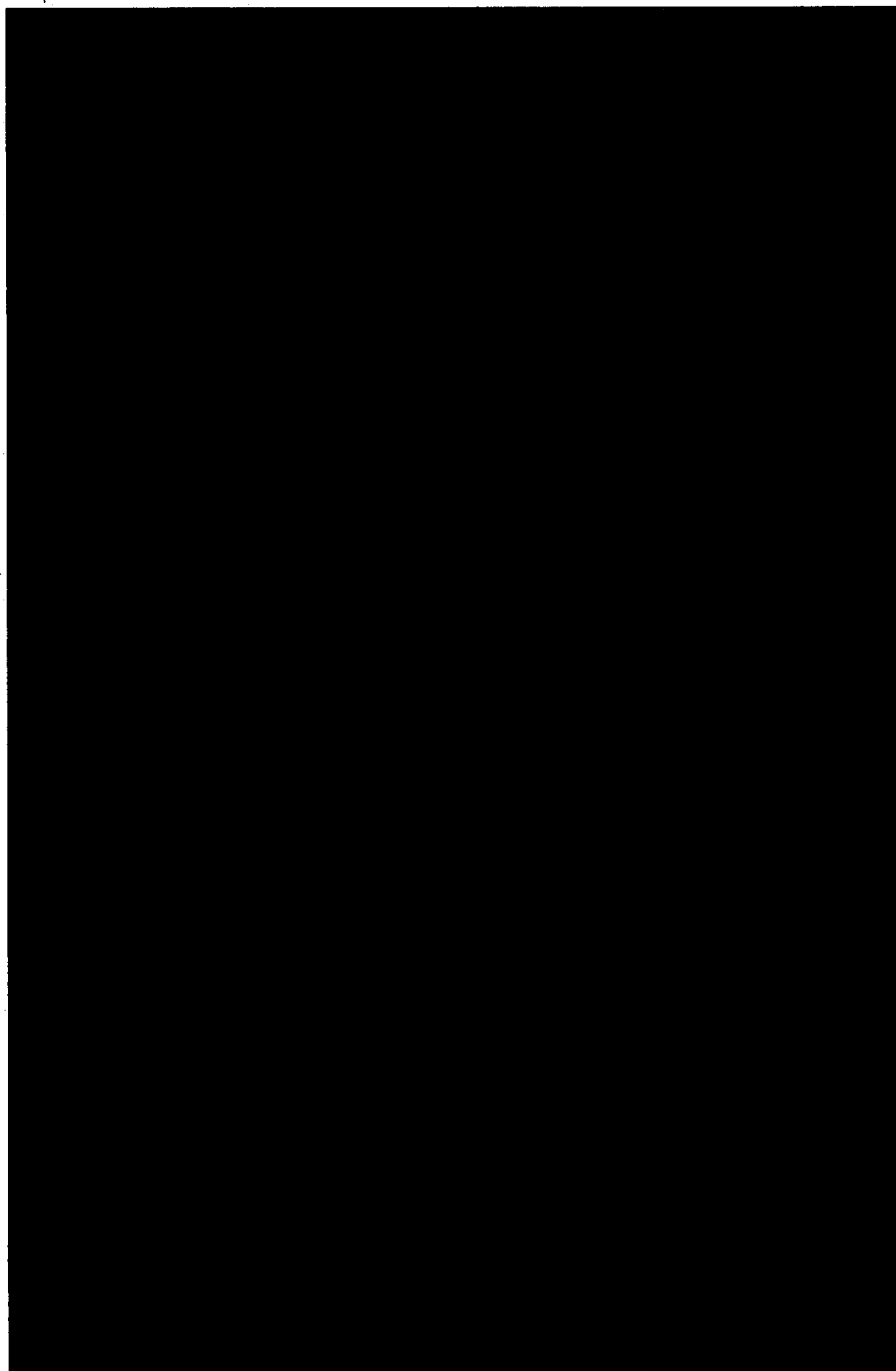
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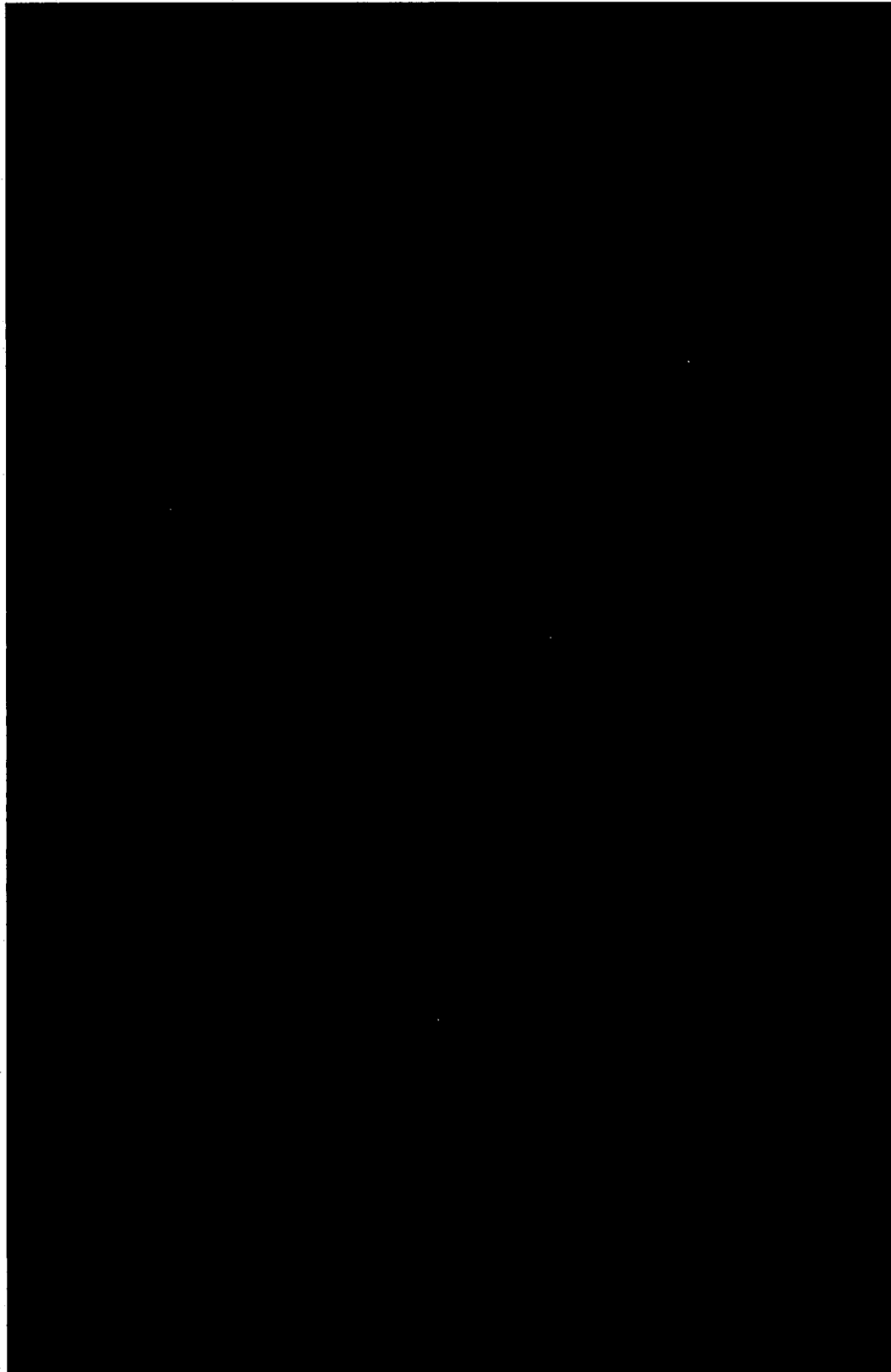
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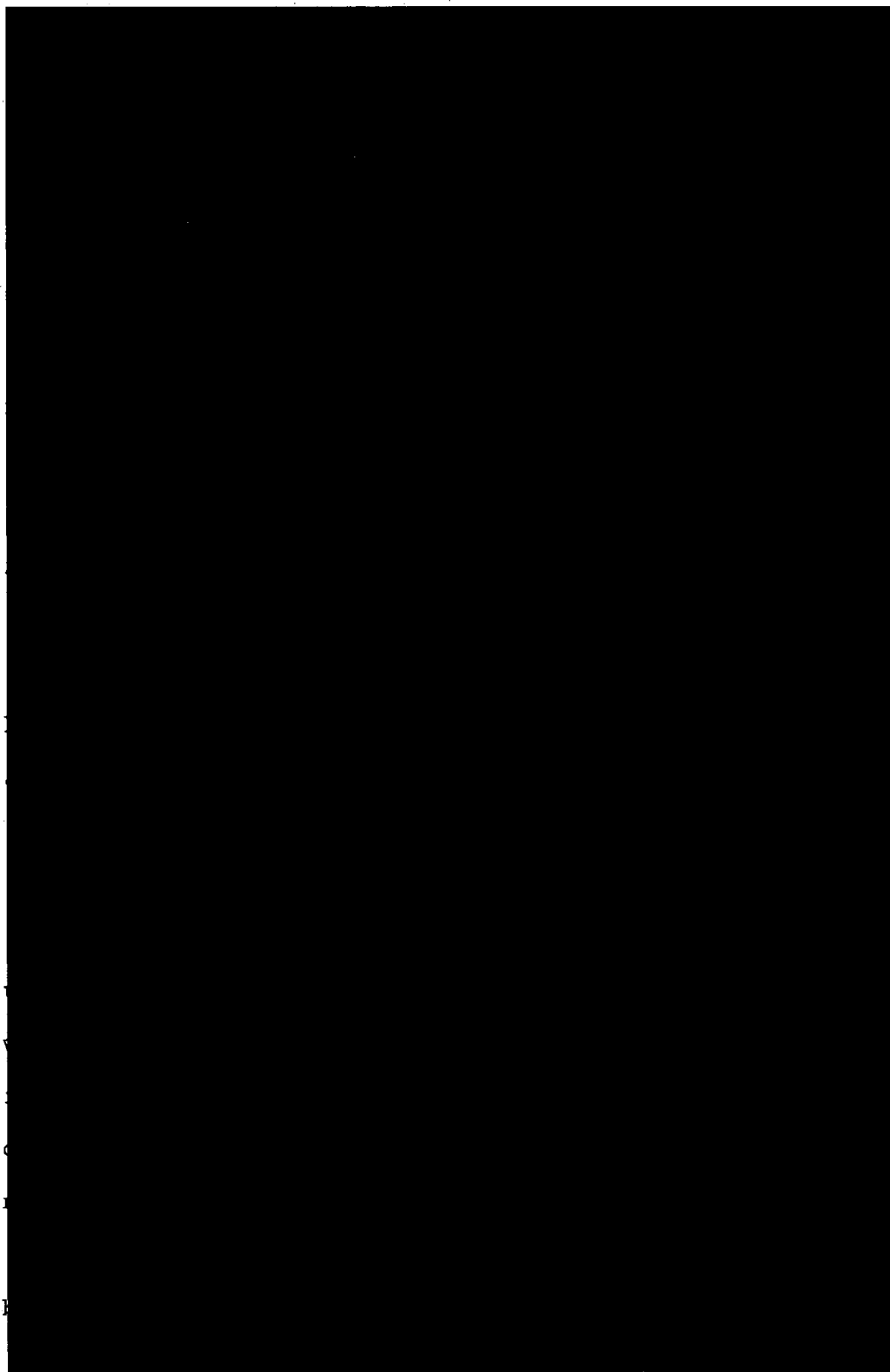
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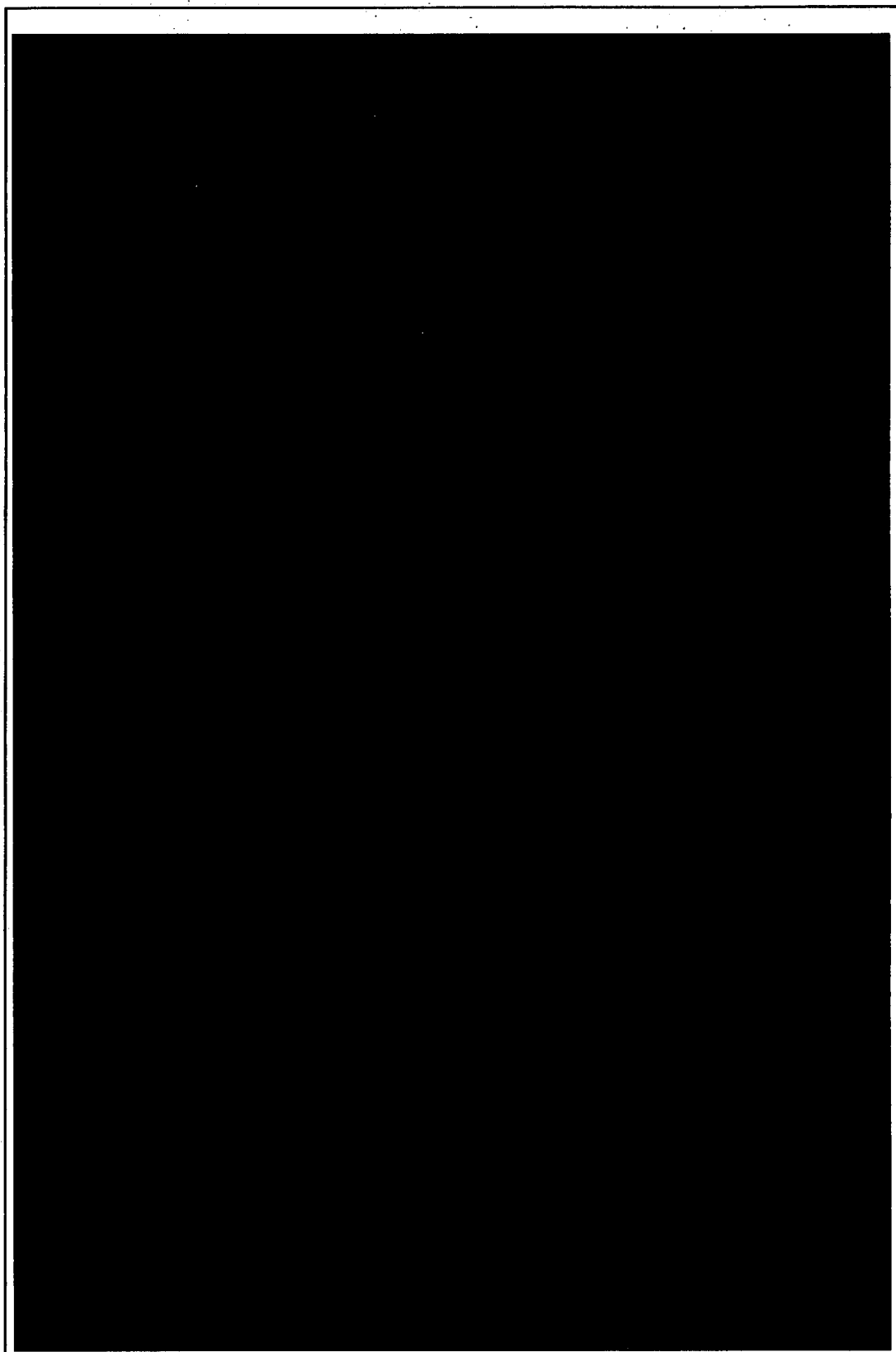
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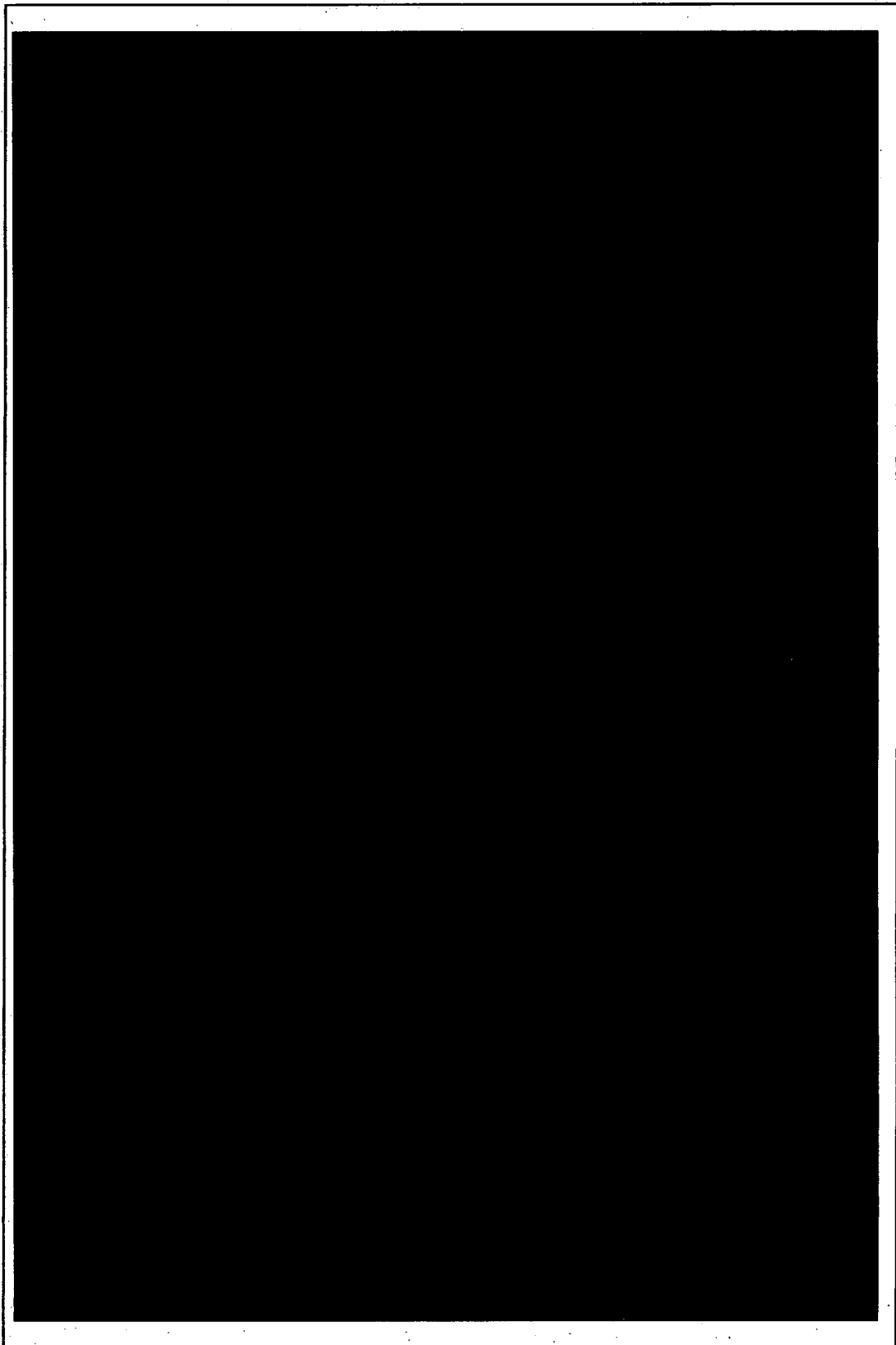
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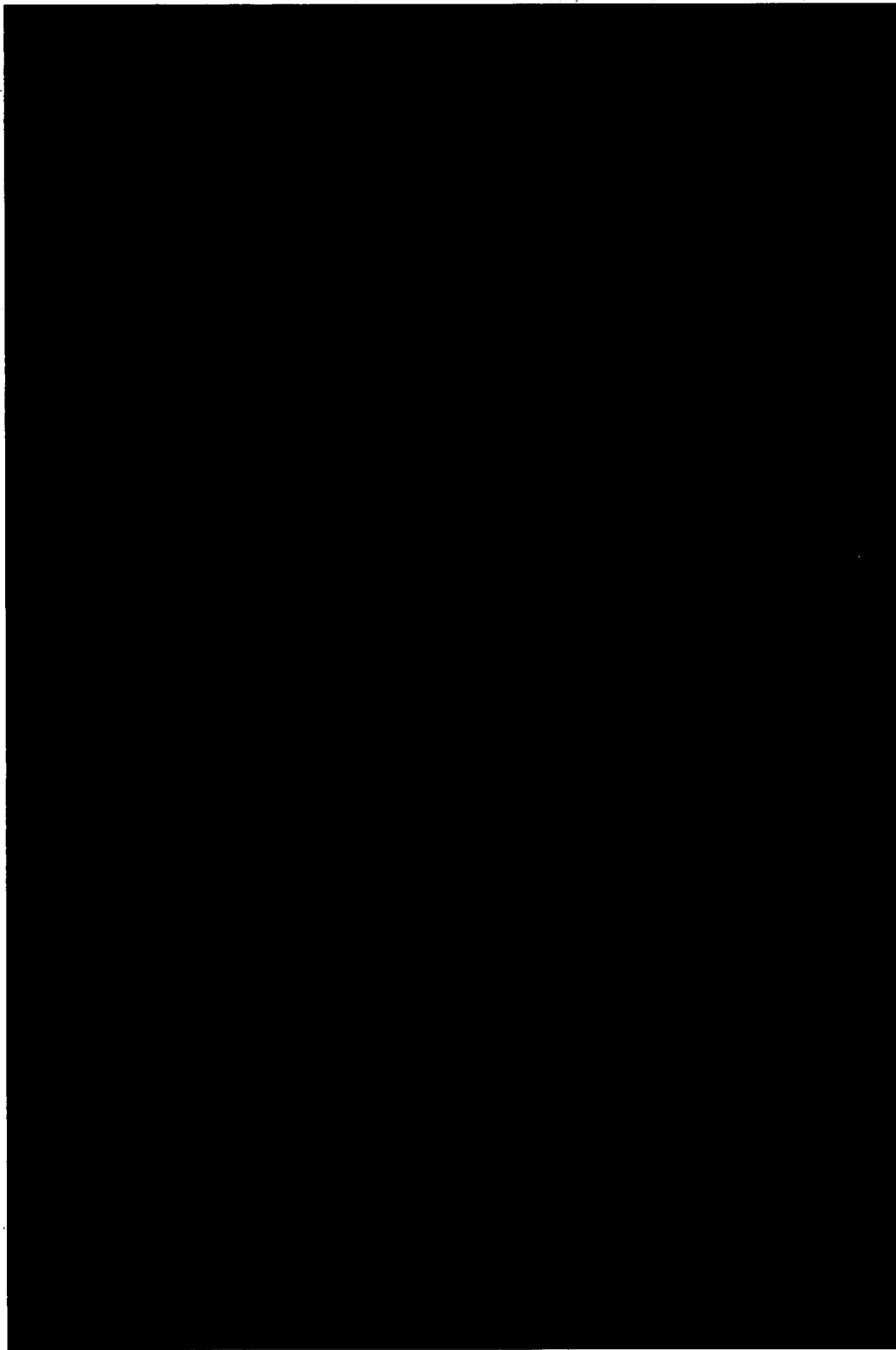
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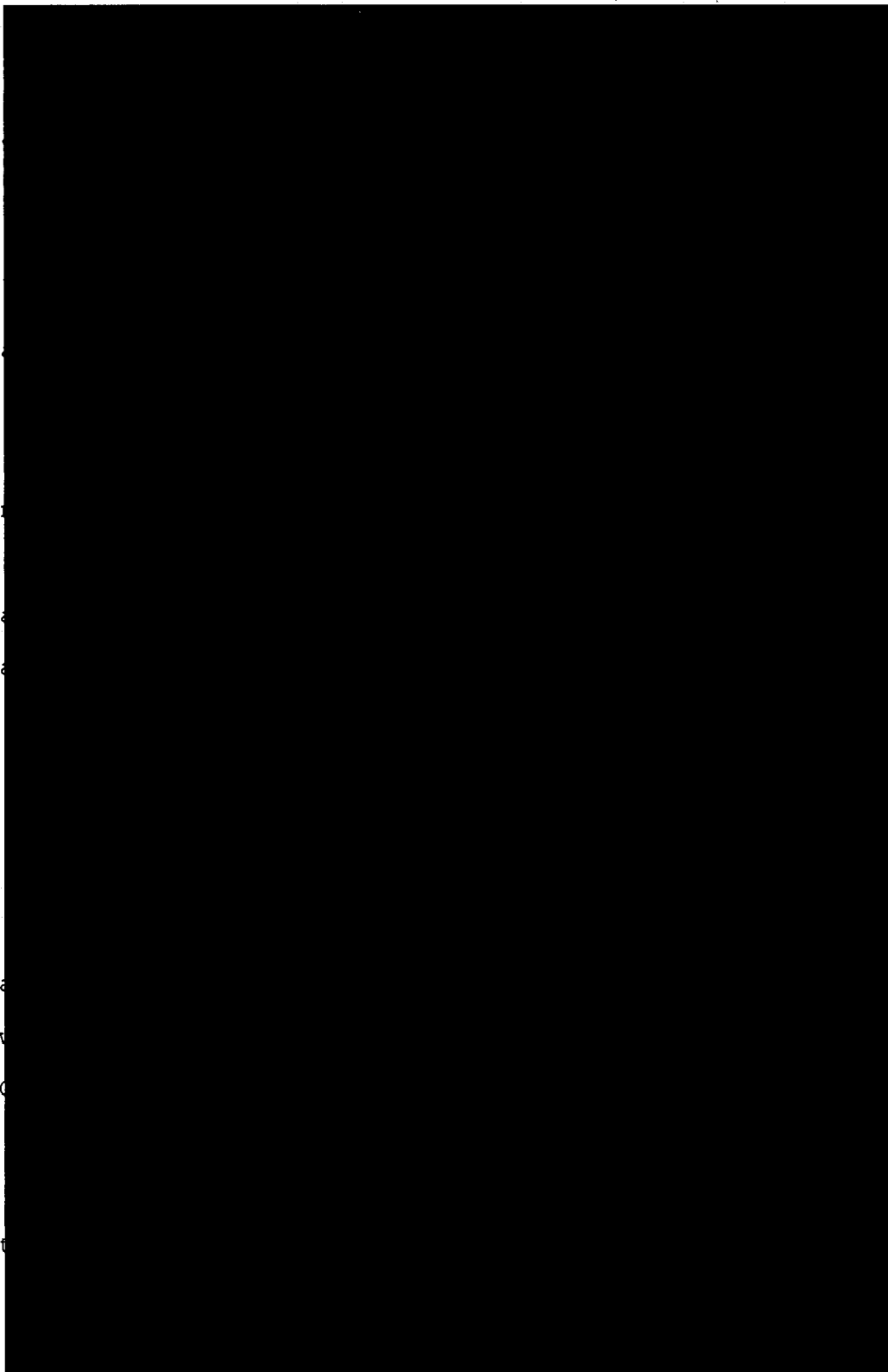
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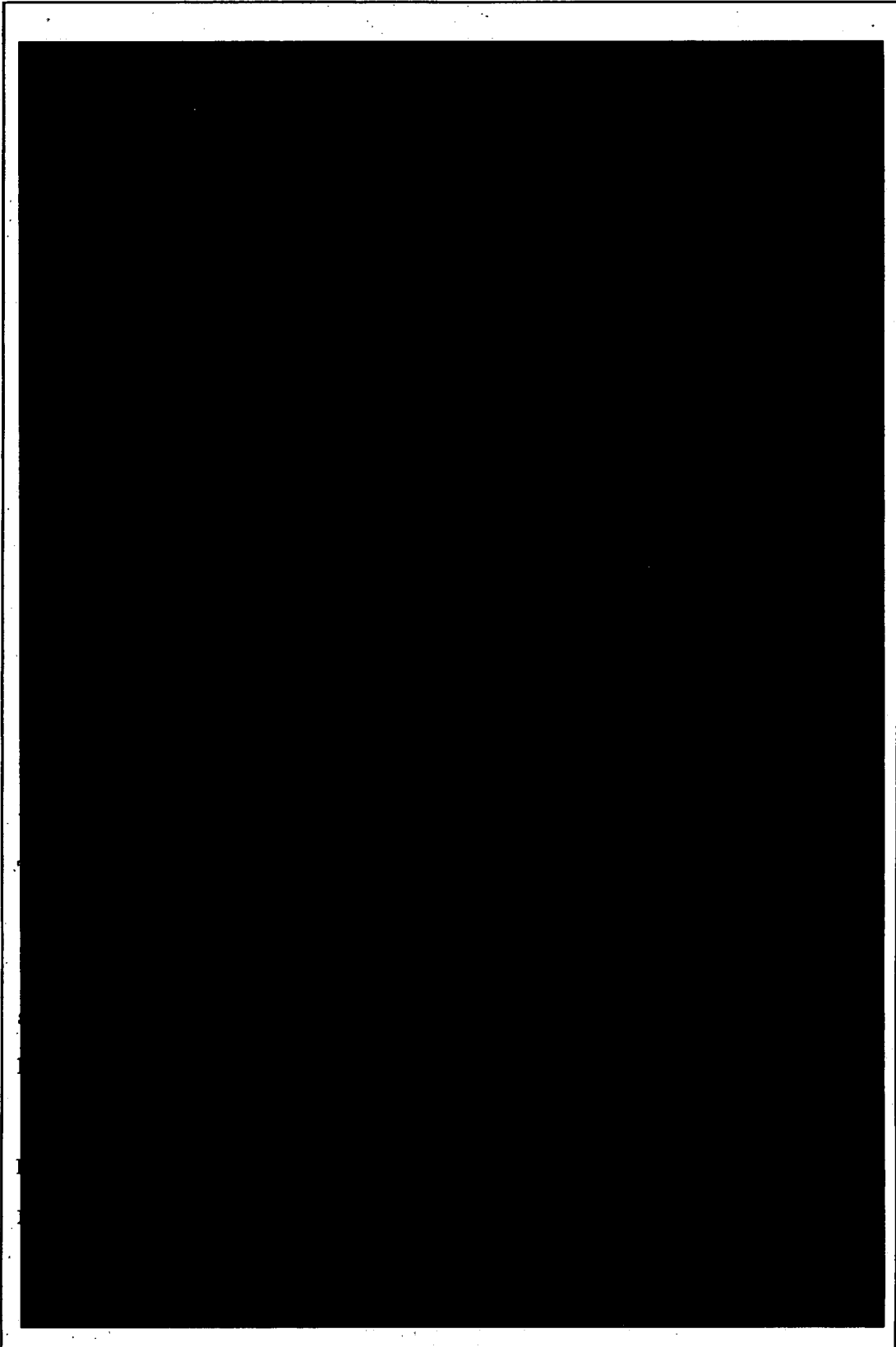
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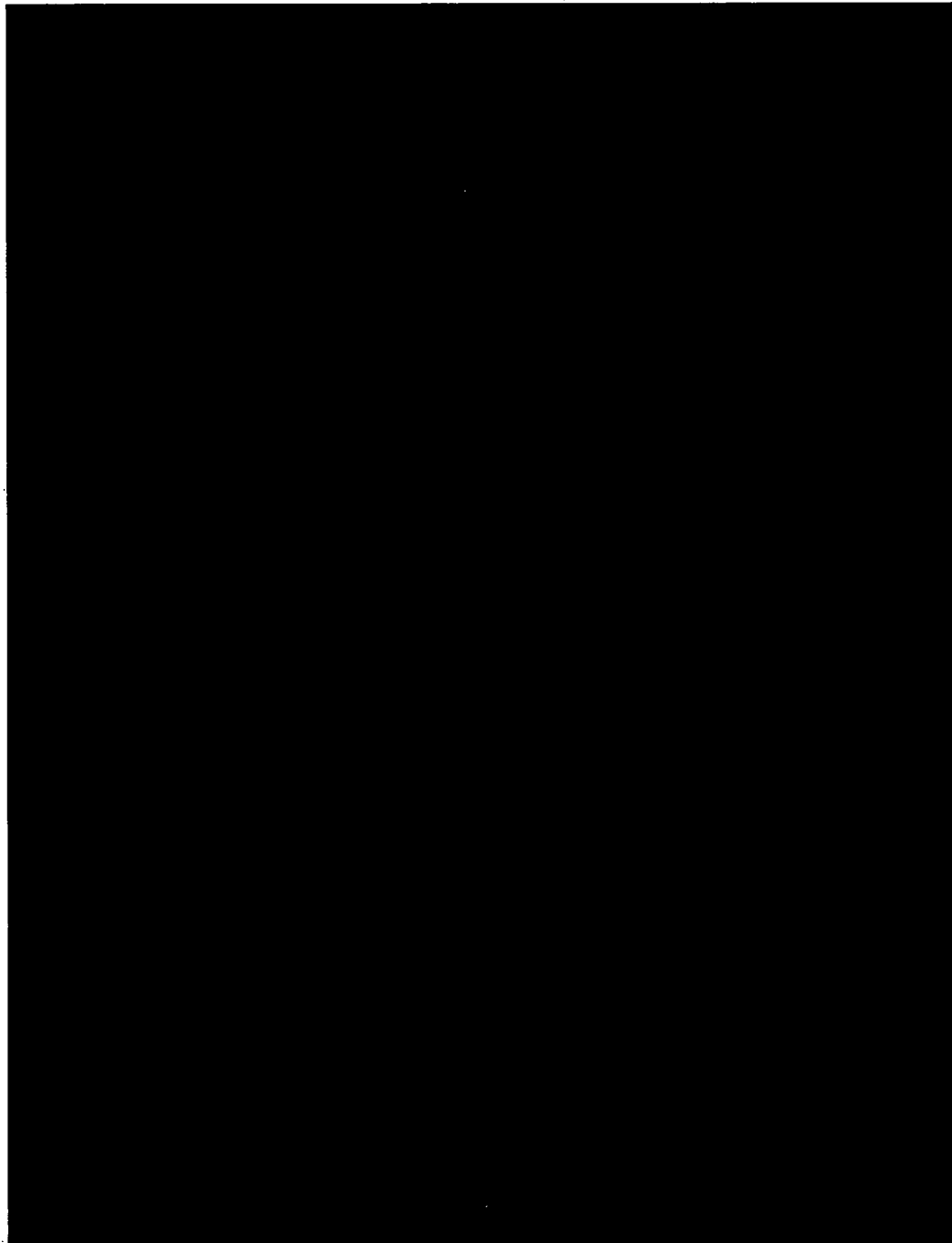
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Q. All right. Isn't that the first time that multiple air-supported belts was made in connection with this product?

1 A. Manufactured or invented?

2 Q. Invented. Okay. Let's start with that.

3 A. No.

4 Q. When was it first invented by Zack Taylor?

5 A. Back when we discussed all these belt ideas

6 years ago.

7 Q. When? When years ago? Where?

8 A. When we were at Kaiser, and when we were at

9 Century-Board.

10 Q. In what context? With polyurethanes?

11 A. In developing all these belt methods to make

12 lumber.

13 Q. So, all the belt methods even though they have

14 never put into -- never been made, the pure idea was

15 discussed? Is that what you're telling me?

16 A. Yes.

17 Q. But it had never been put into practice,

18 correct?

19 A. Some of these things might have been put into

20 practice, but that particular one, we did not make a

21 belt that was air-supported, that's correct.

22 Q. Until the Century Products apparatus was made,

23 correct?

24 A. With an exception. I don't know what else Zack

25 did besides --

1 Q. I'm asking about your --

2 A. As far as Century-Board -- yes, we had no other
3 belts with air-supported stuff under them.

4 Q. So, the first time it was put into trade
5 practice was when the Century Products apparatus was
6 made at the Anaheim plant, correct?

7 A. That's correct.

8 MR. JULANDER: We need to take a short break.

9 (Recess)

10 BY MR. TREMBLAY:

11 Q. Okay. I don't believe we had any question
12 pending.

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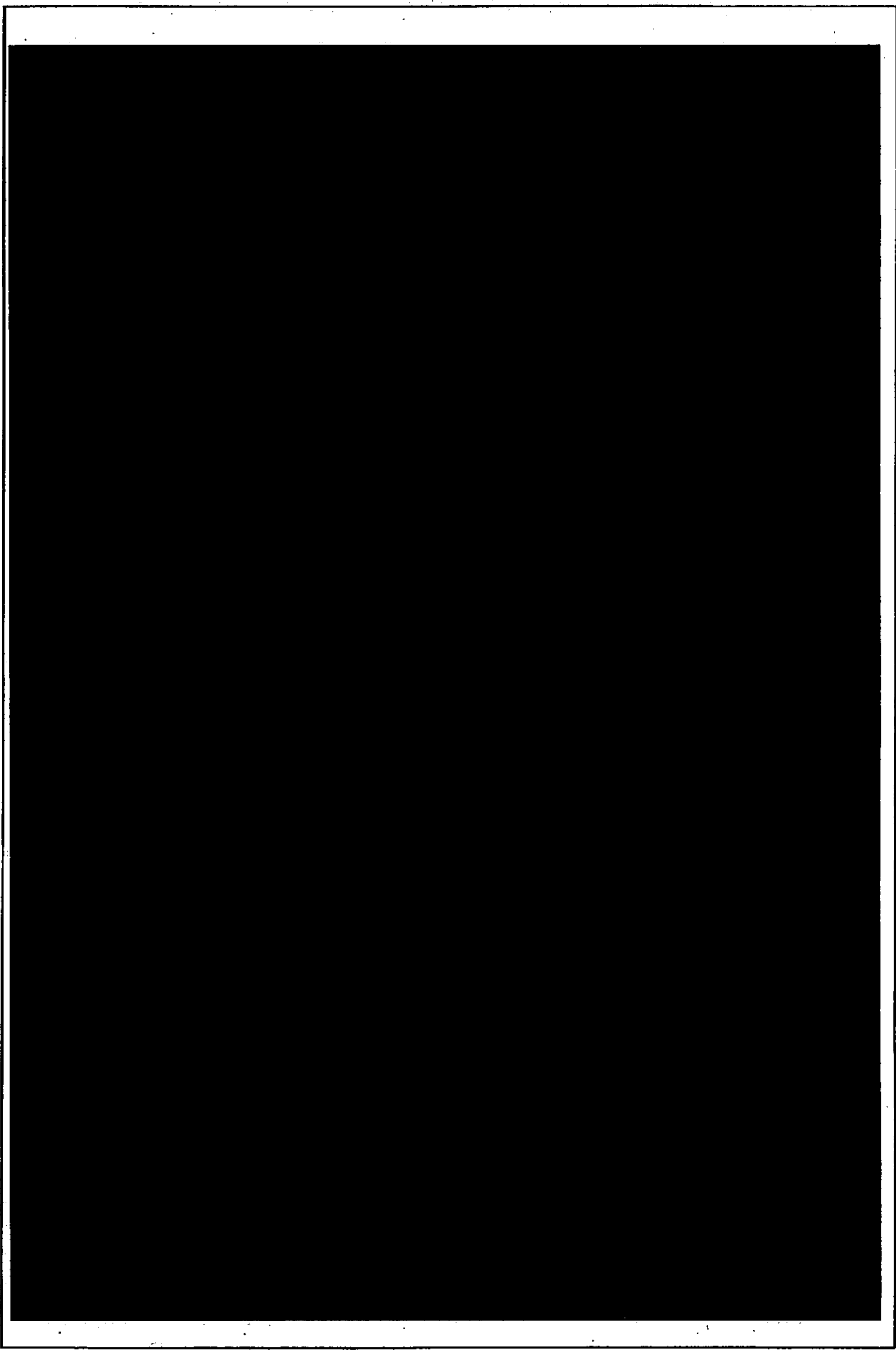
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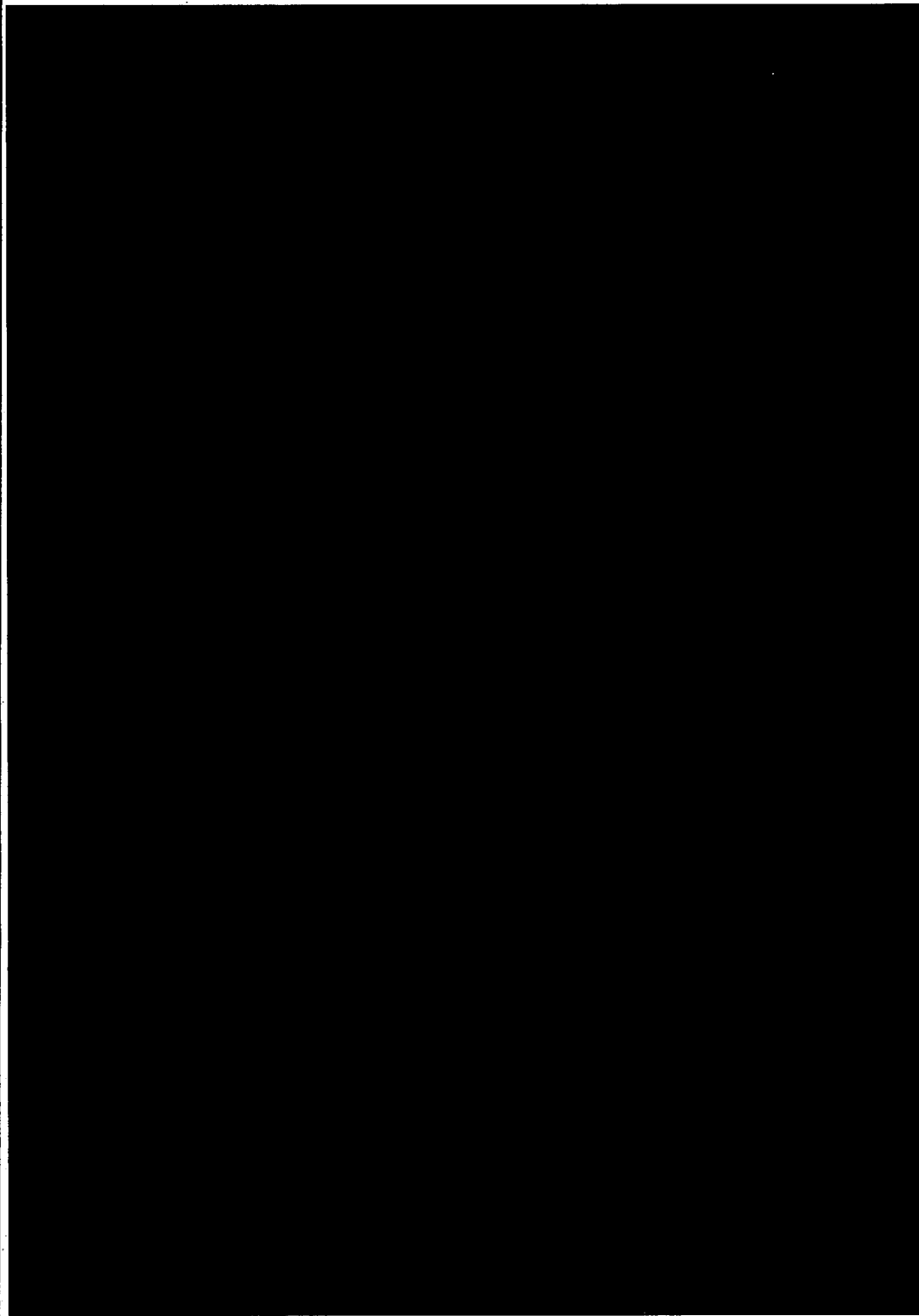
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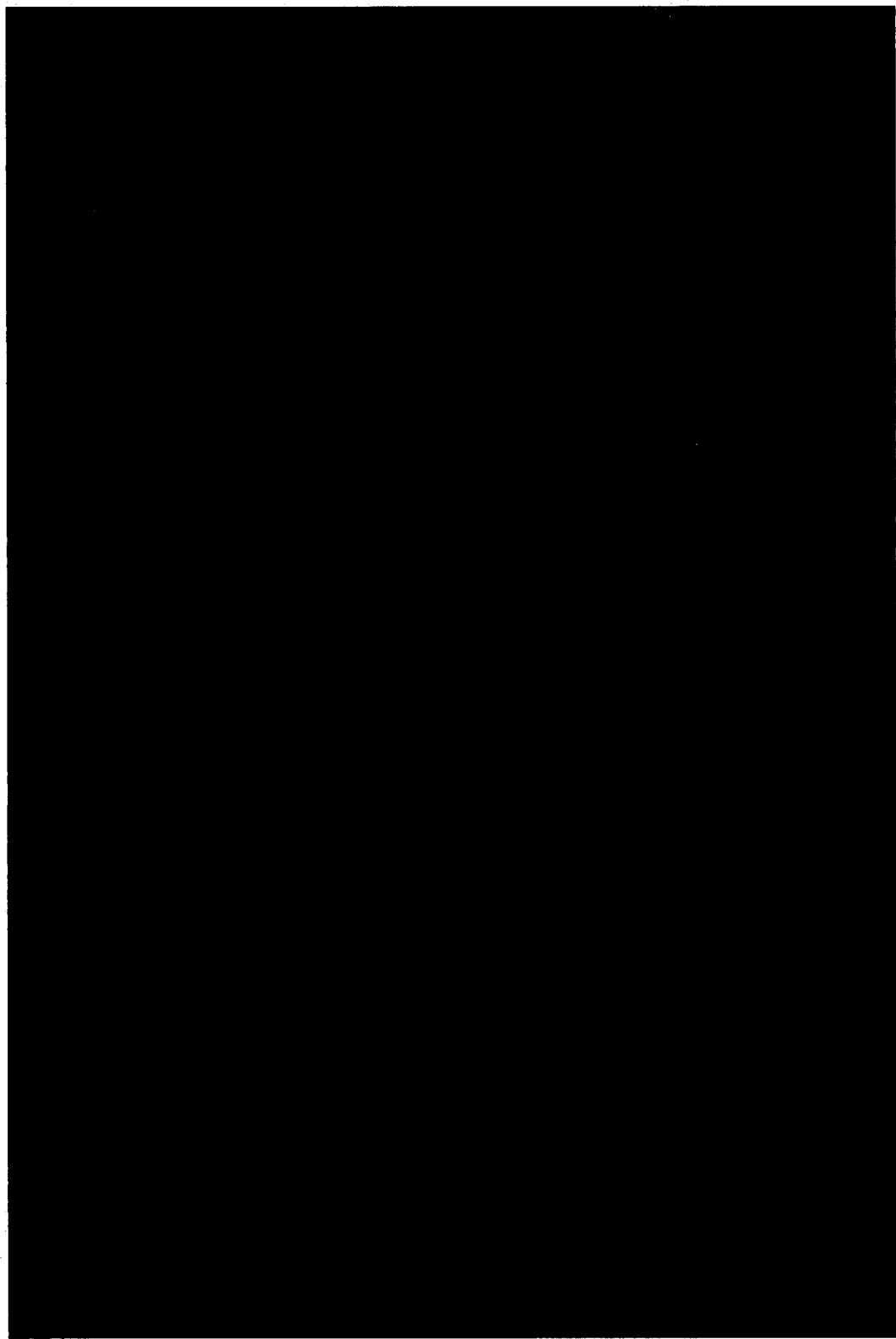
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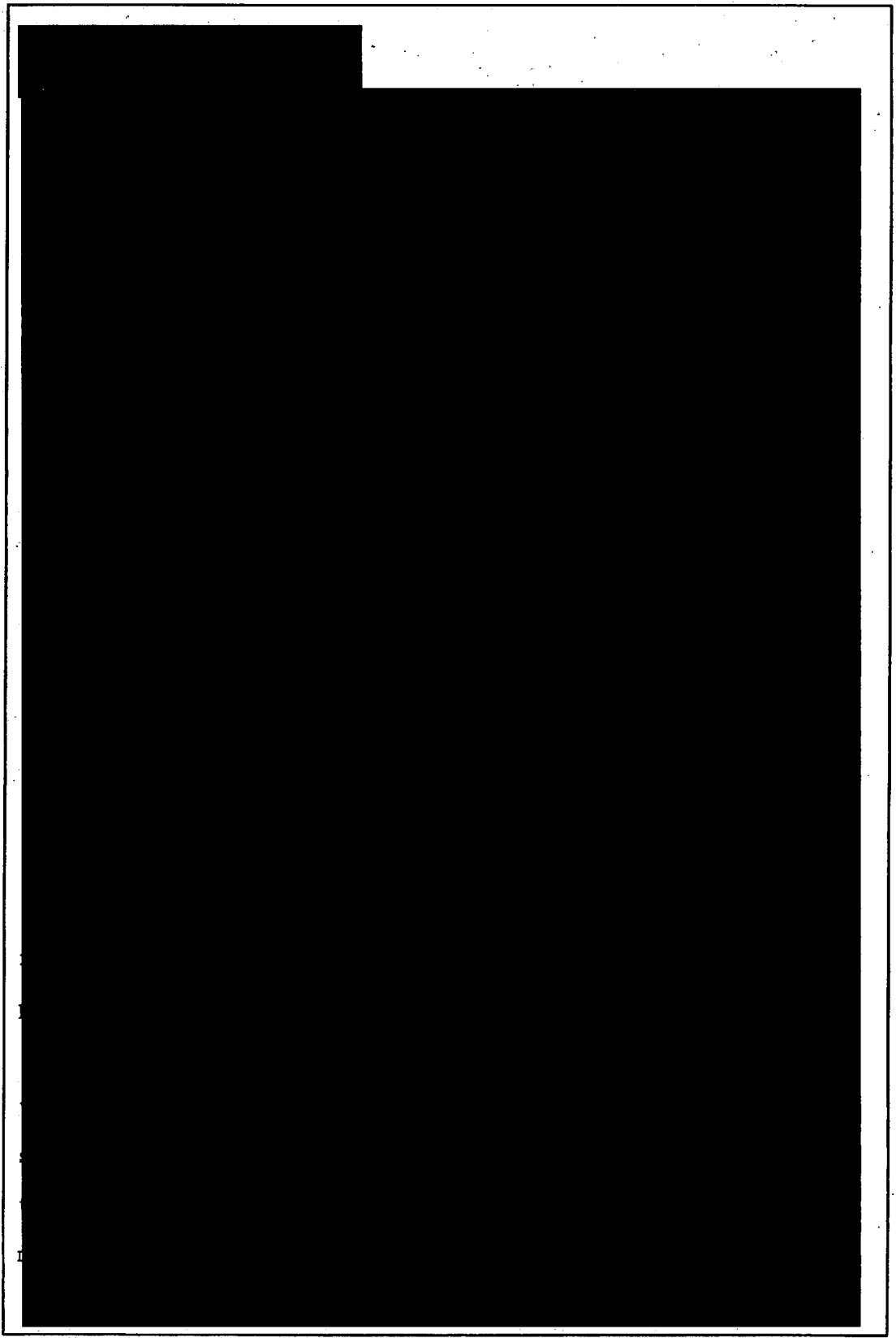
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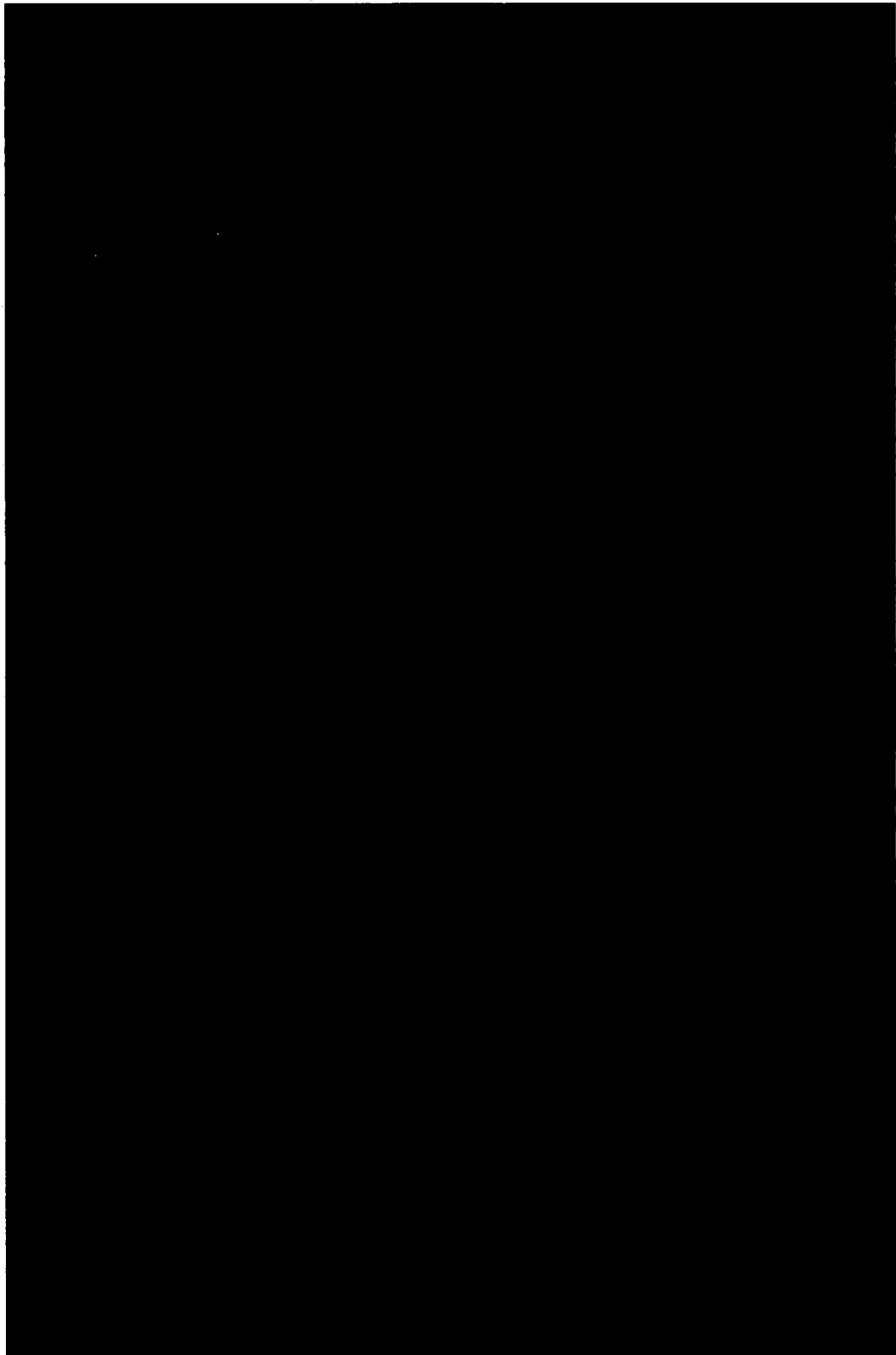
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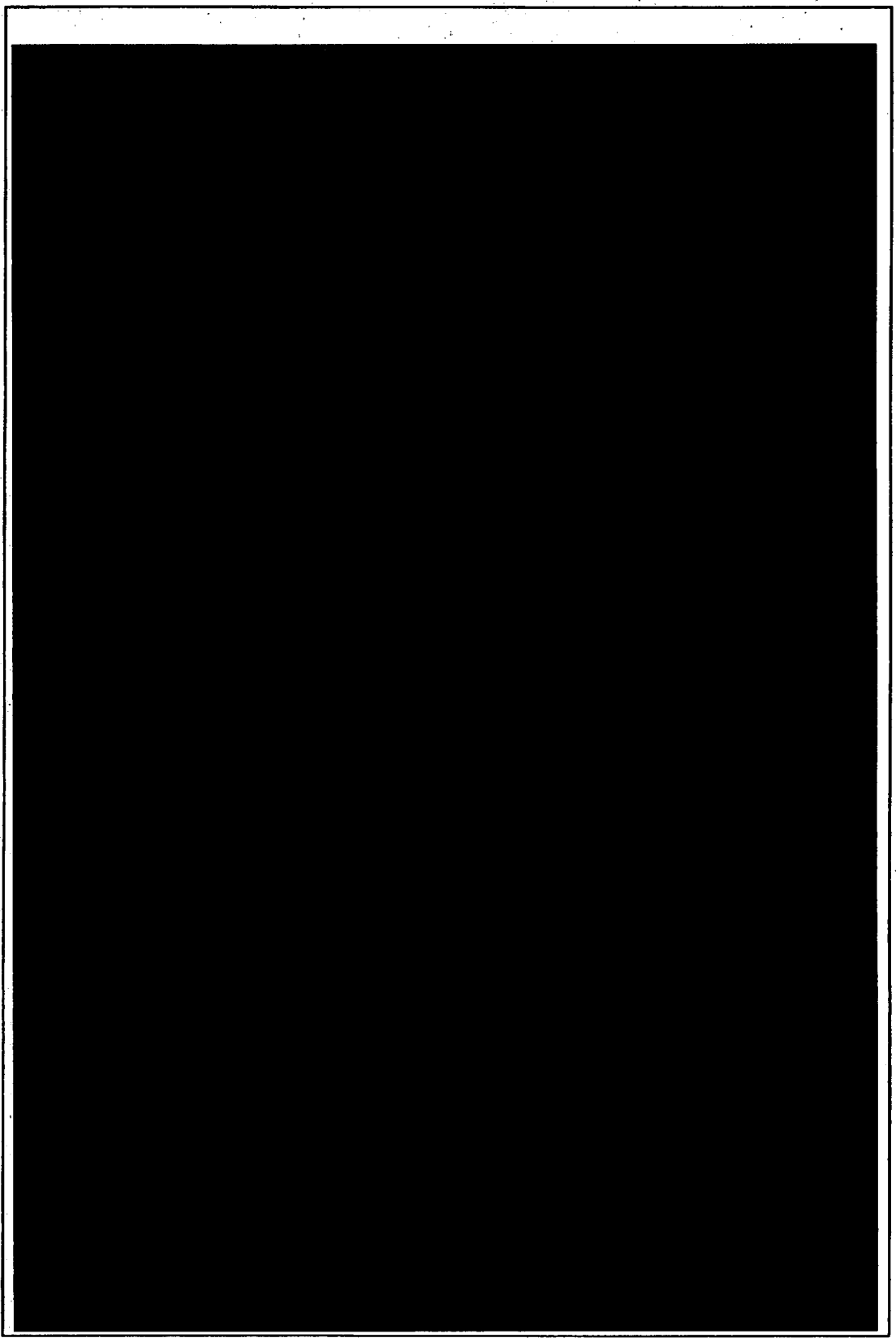
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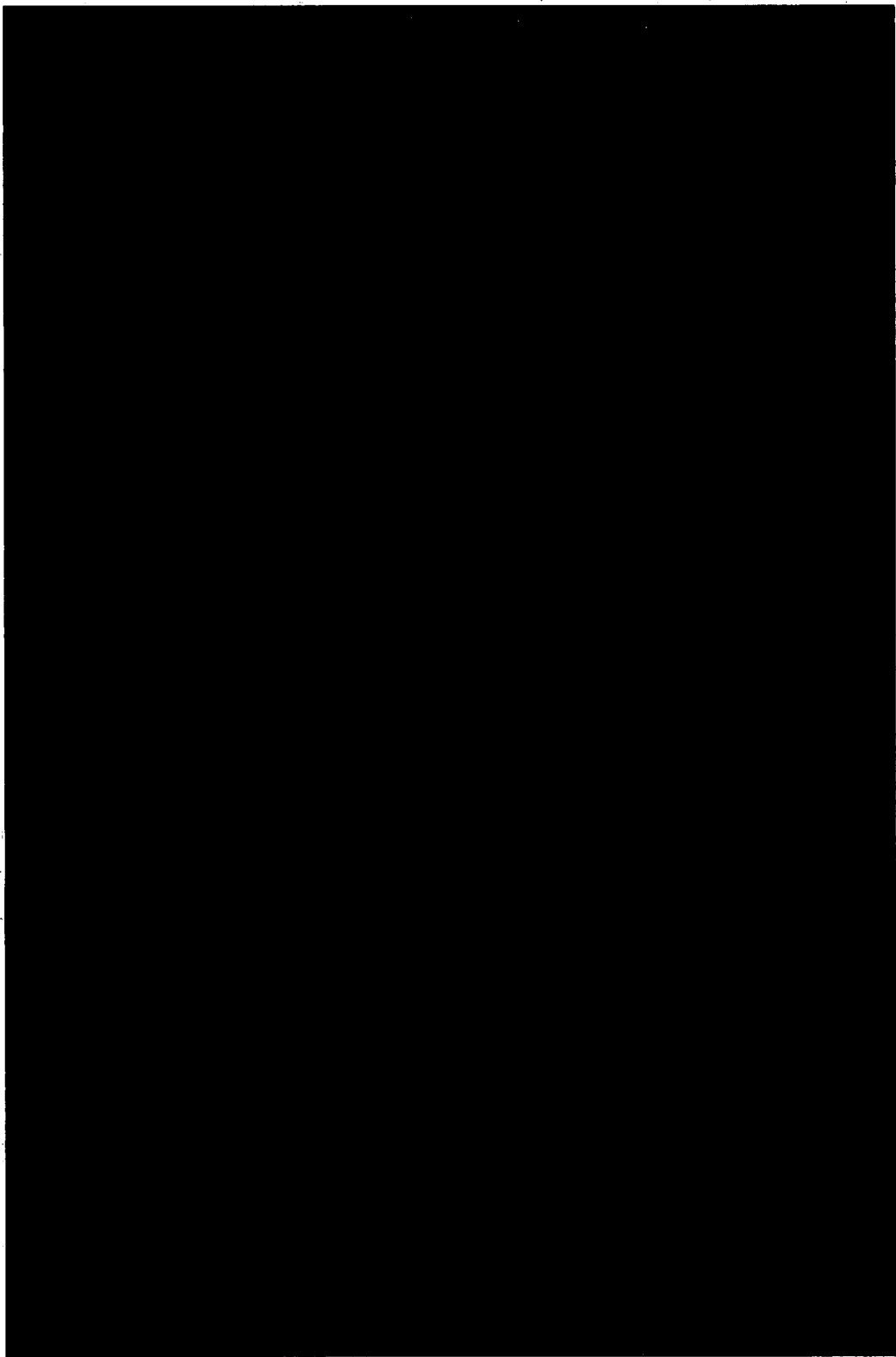
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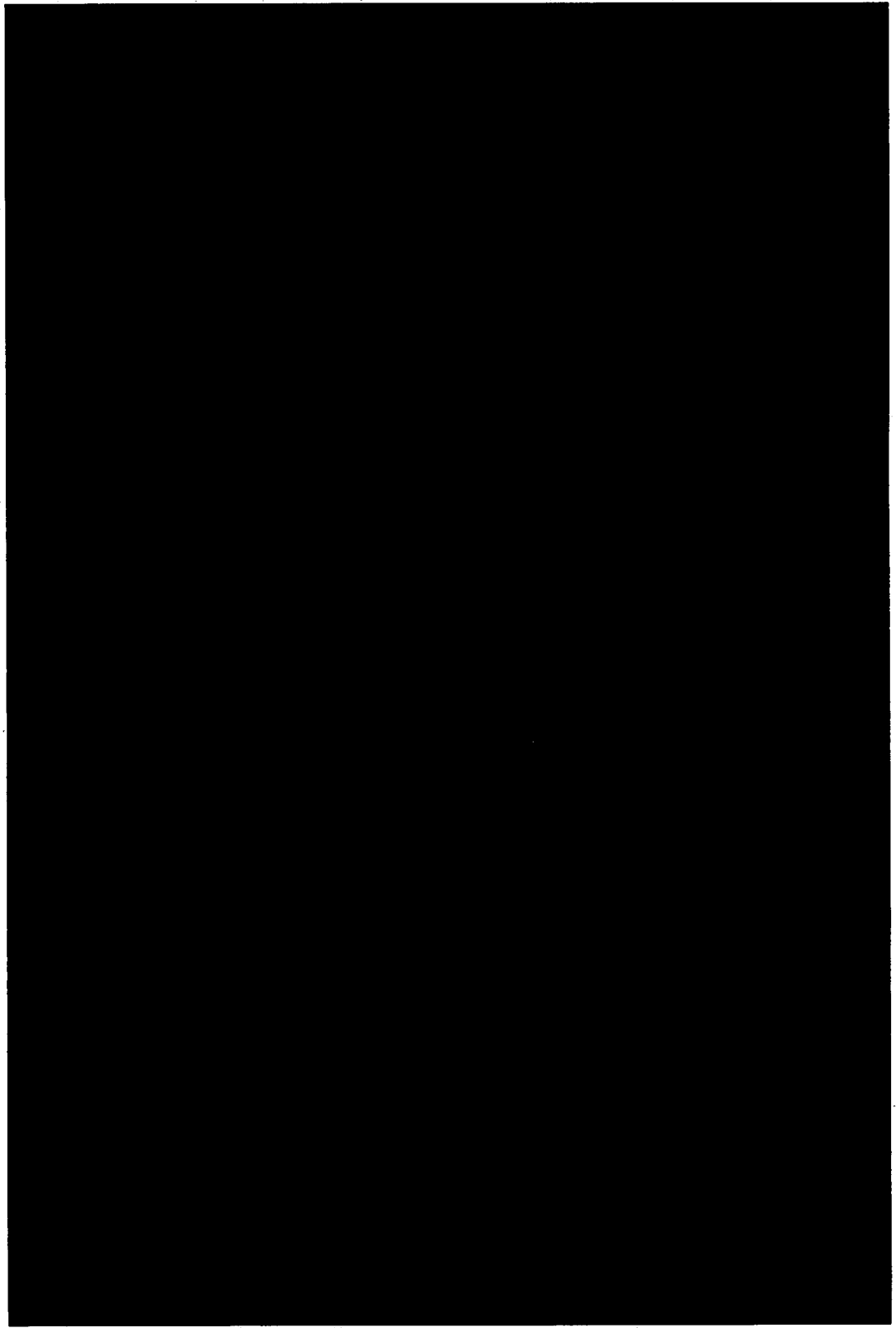
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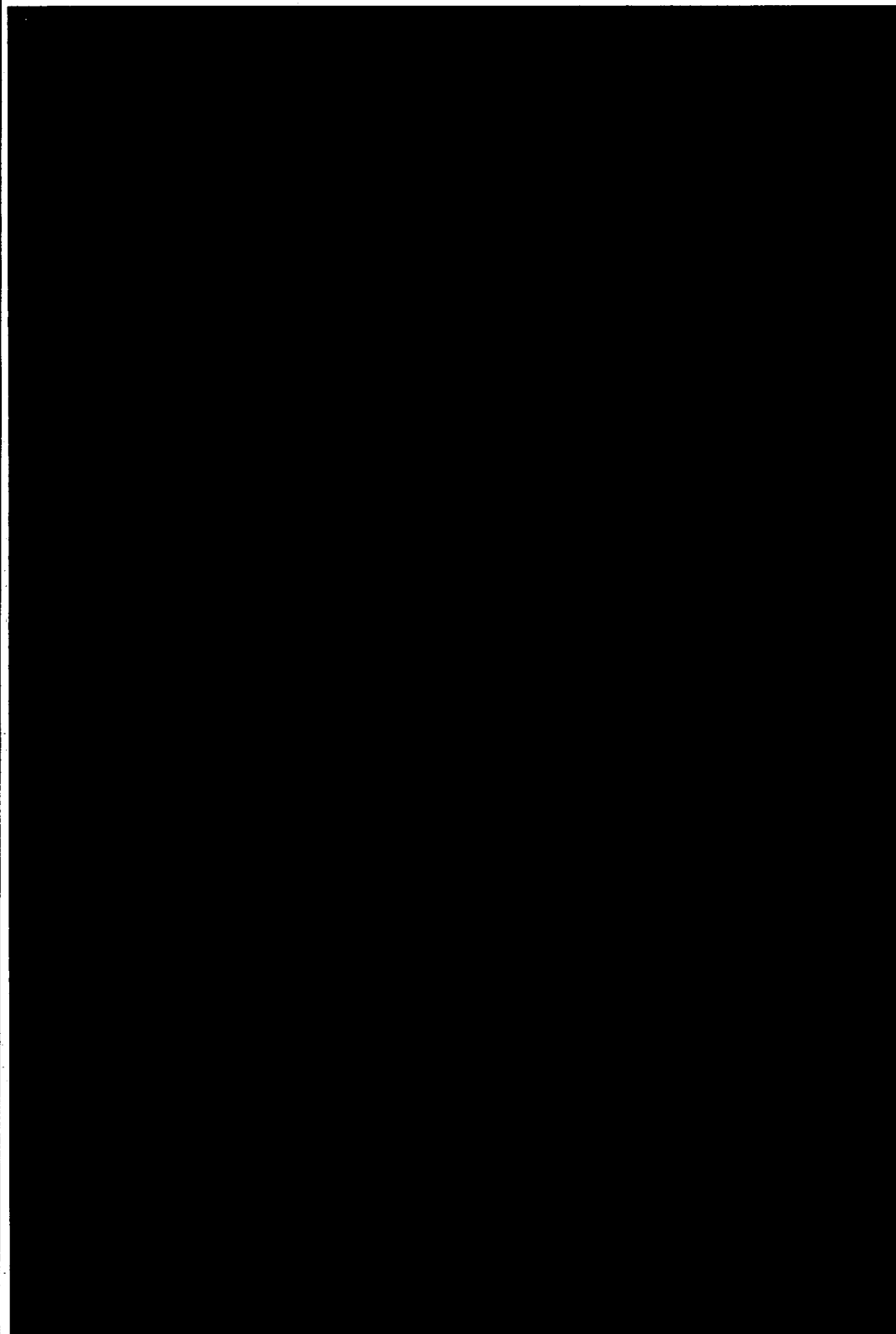
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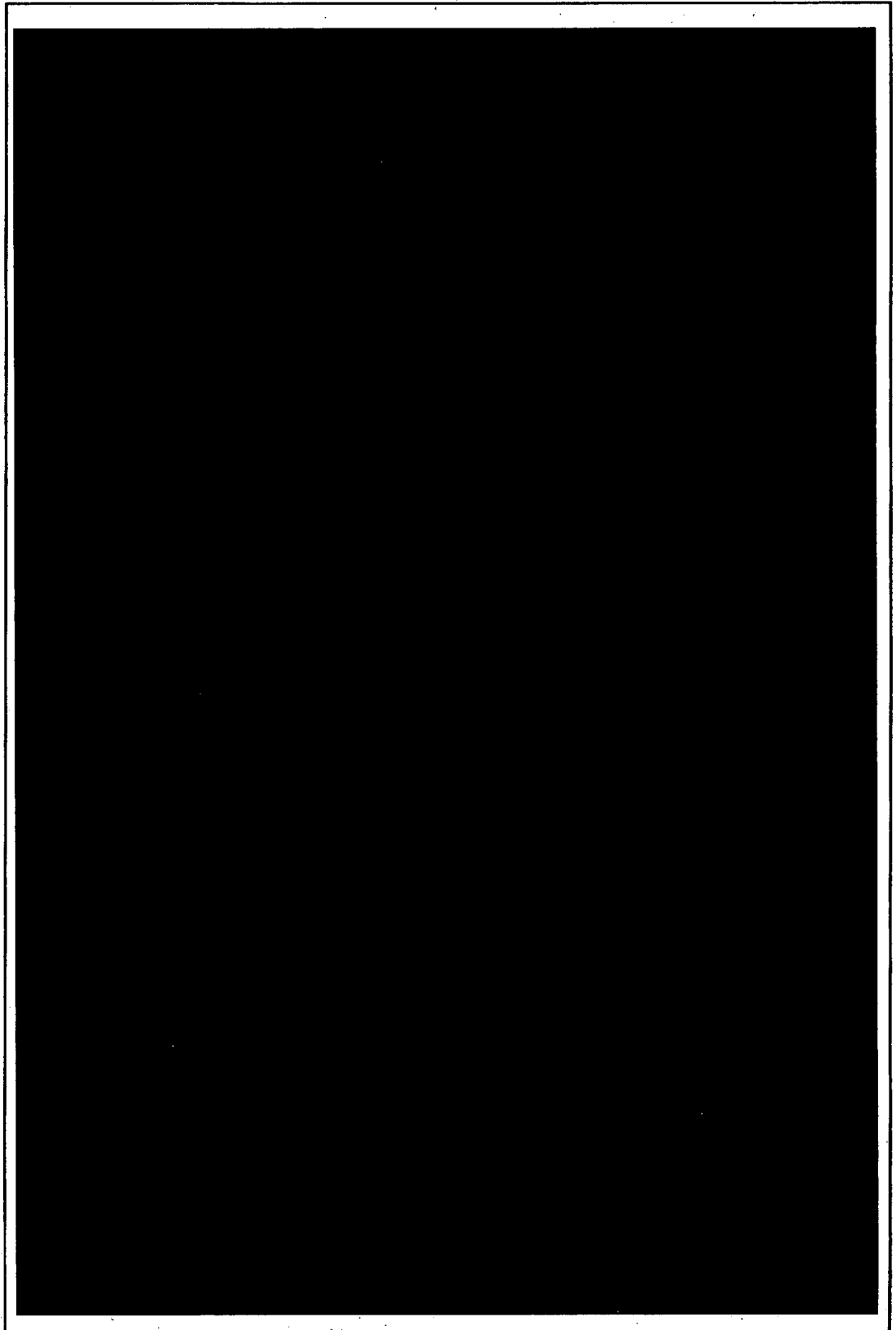
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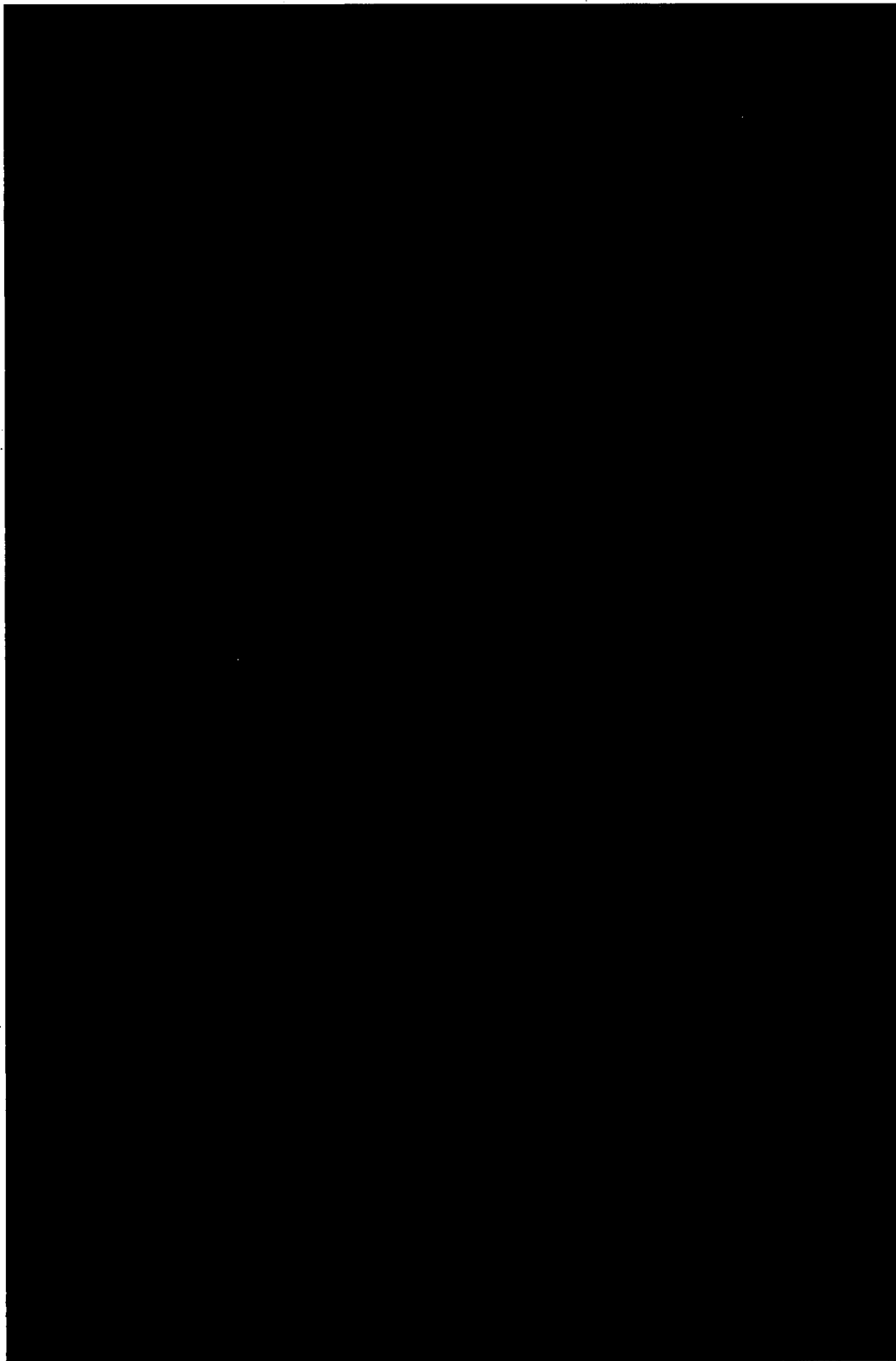
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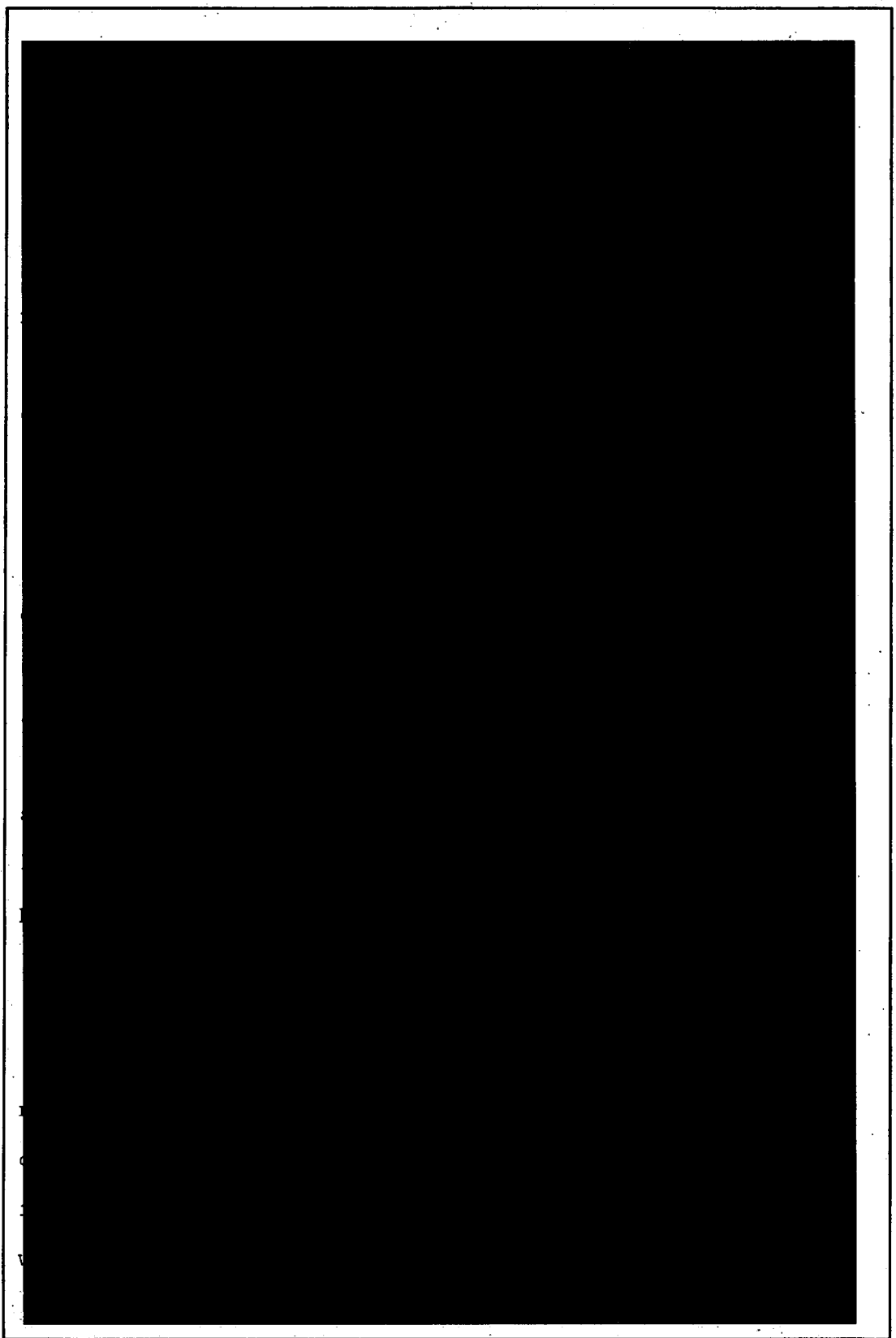
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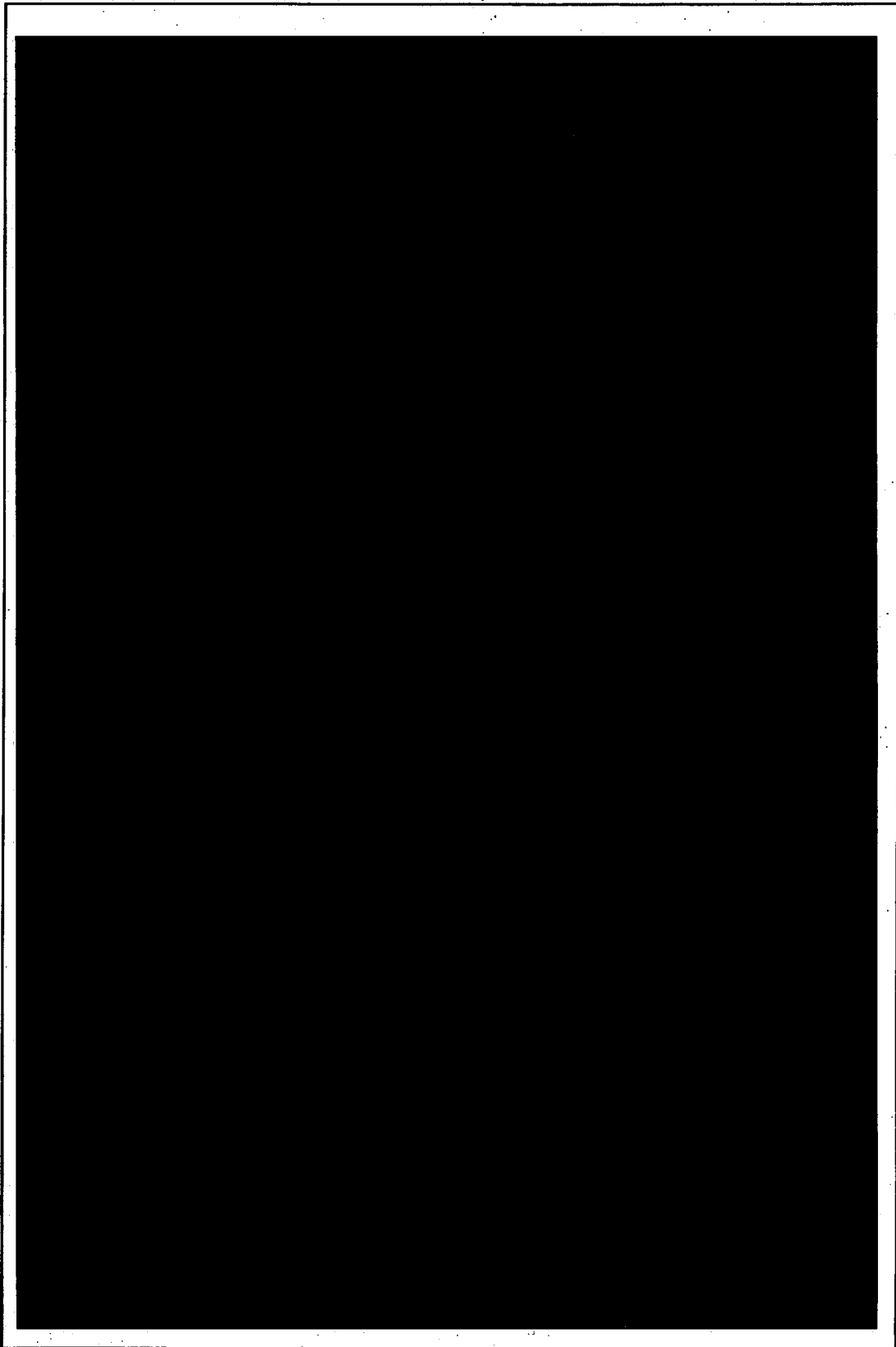
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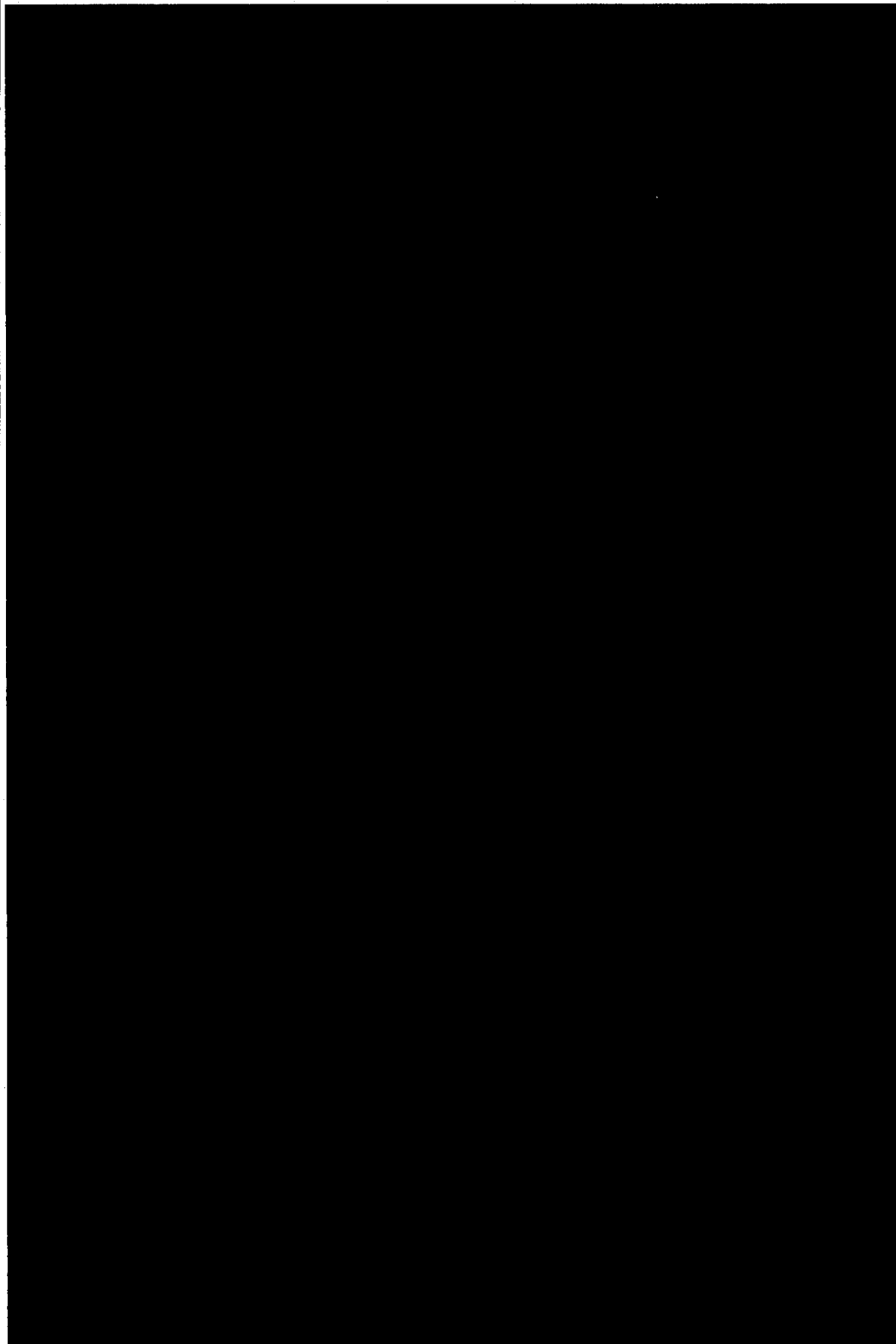
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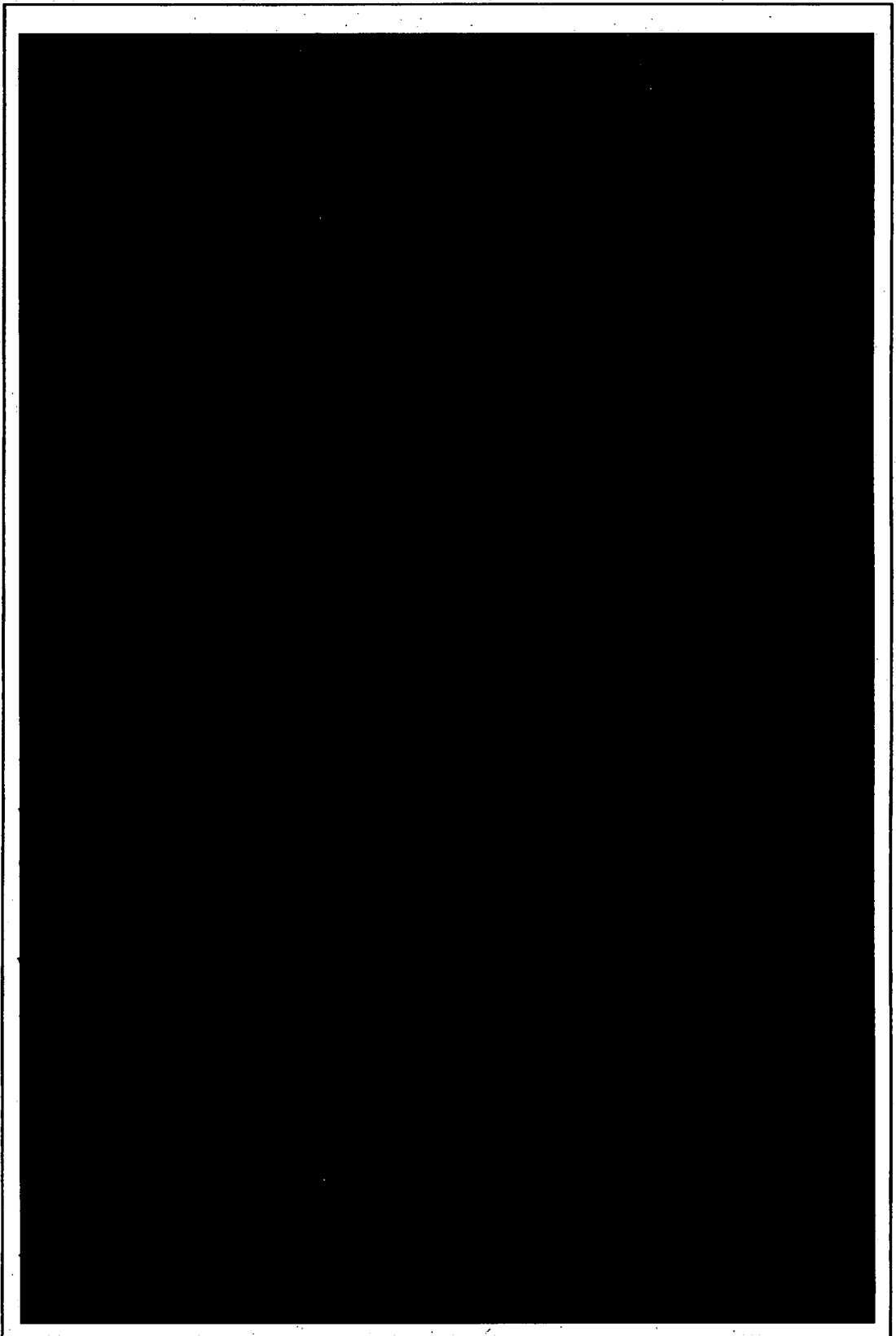
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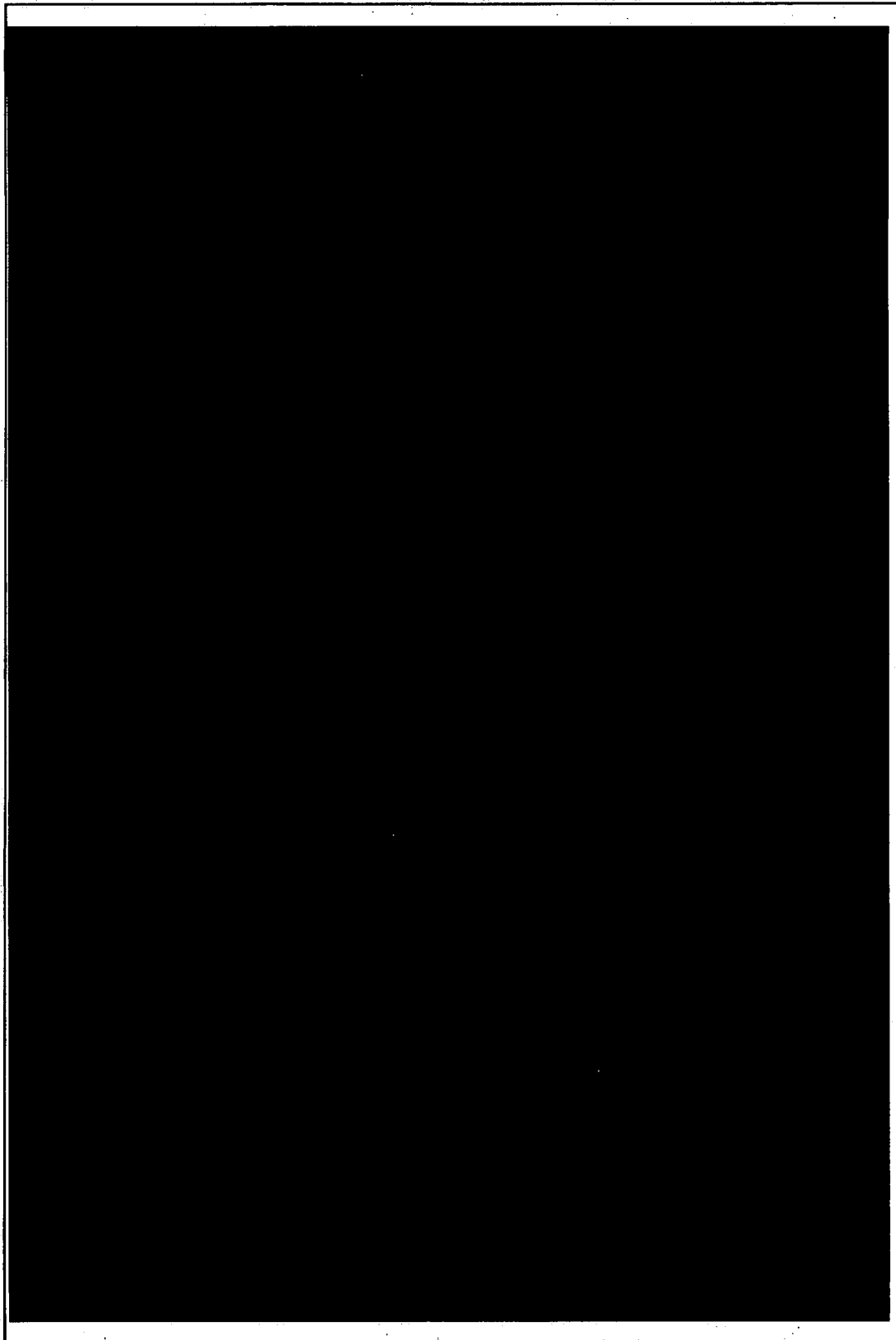
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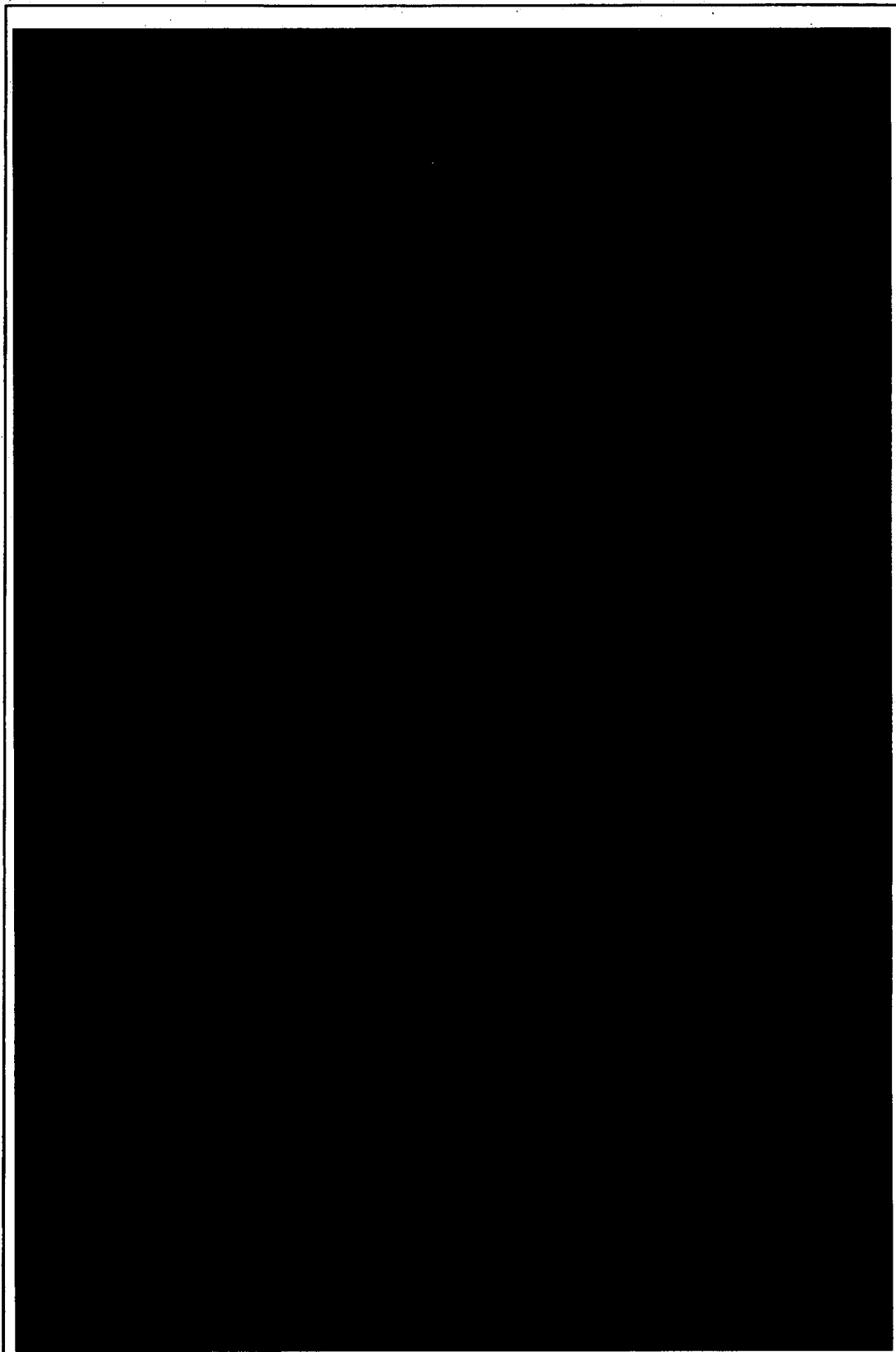
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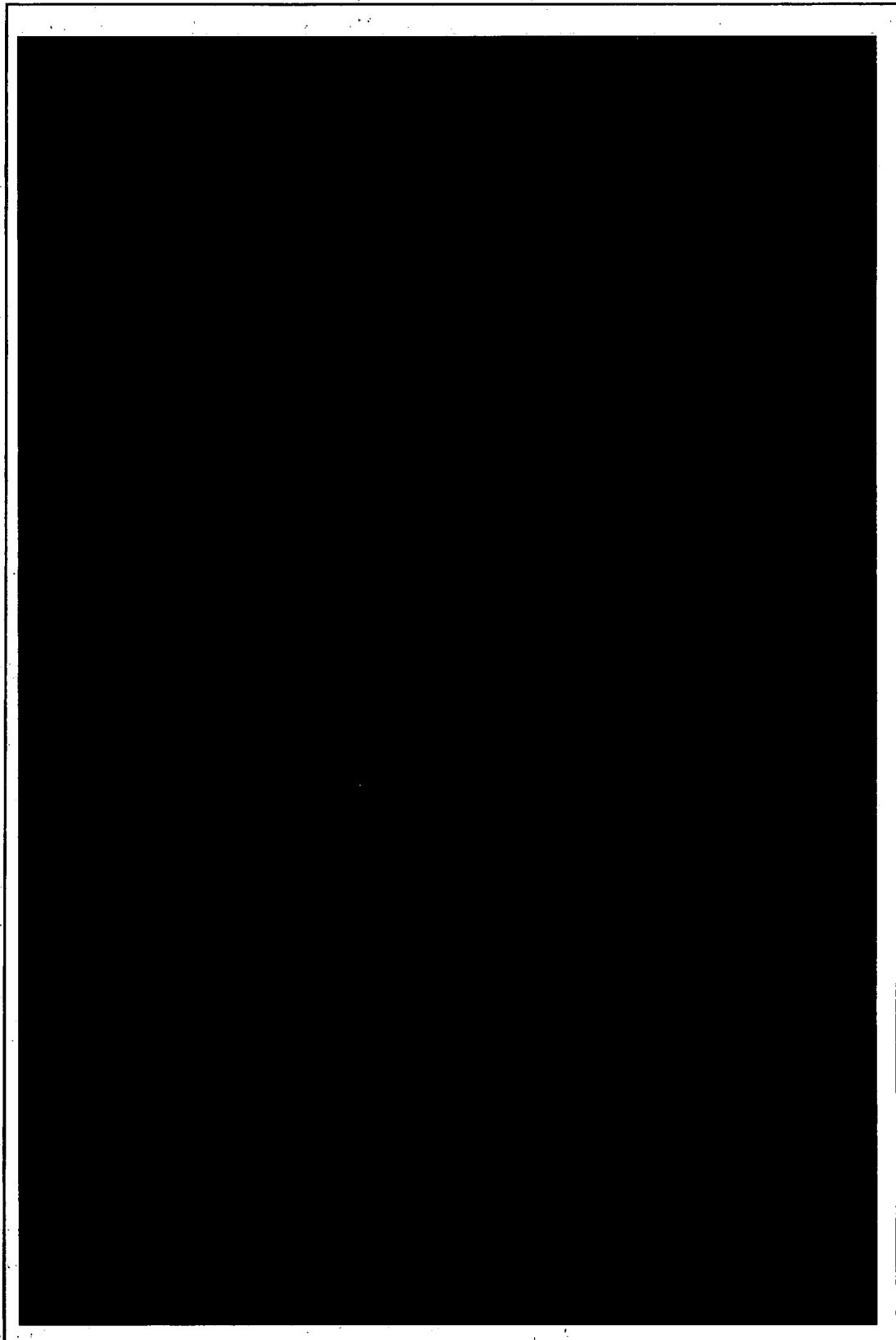
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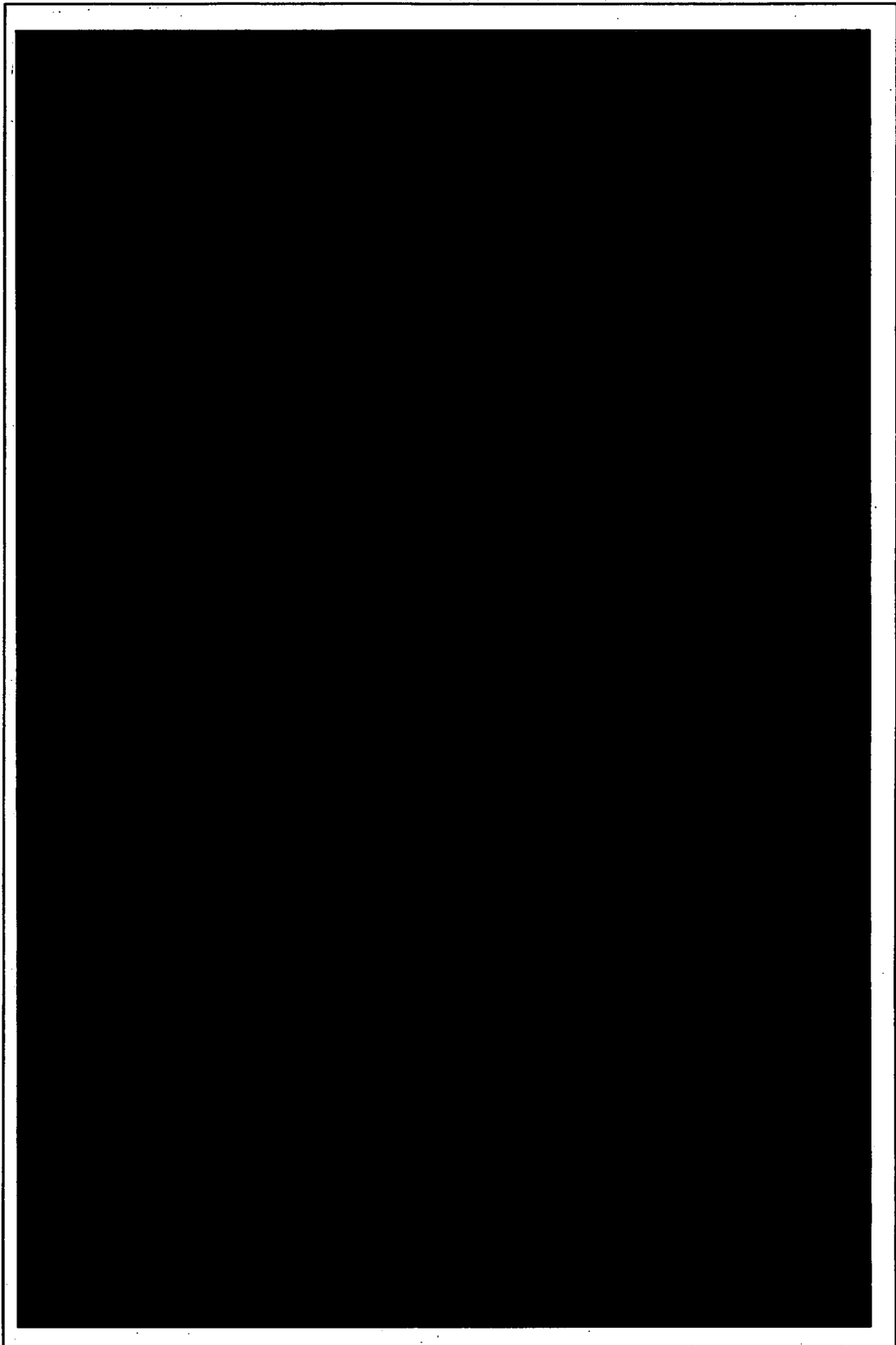
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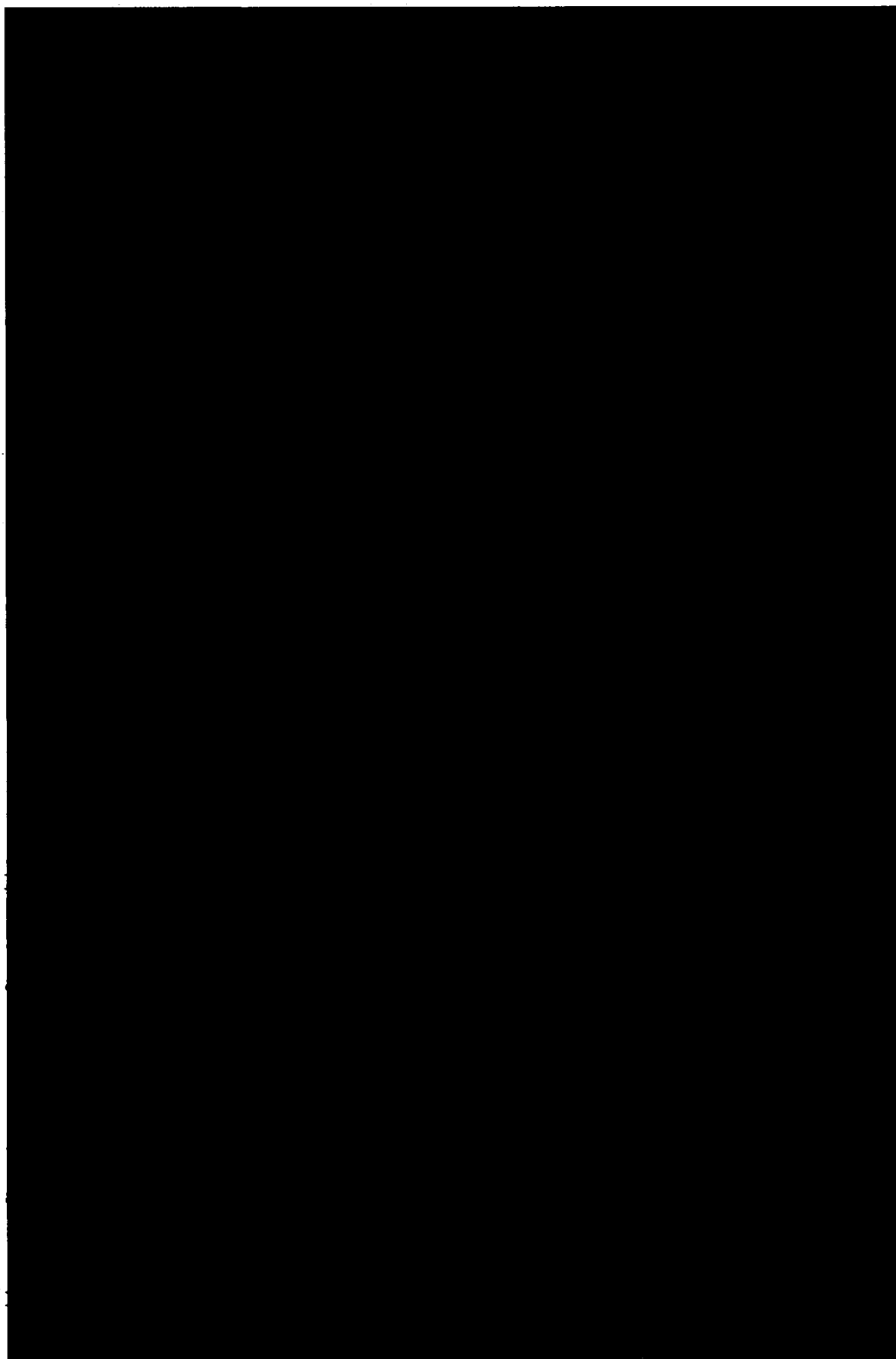
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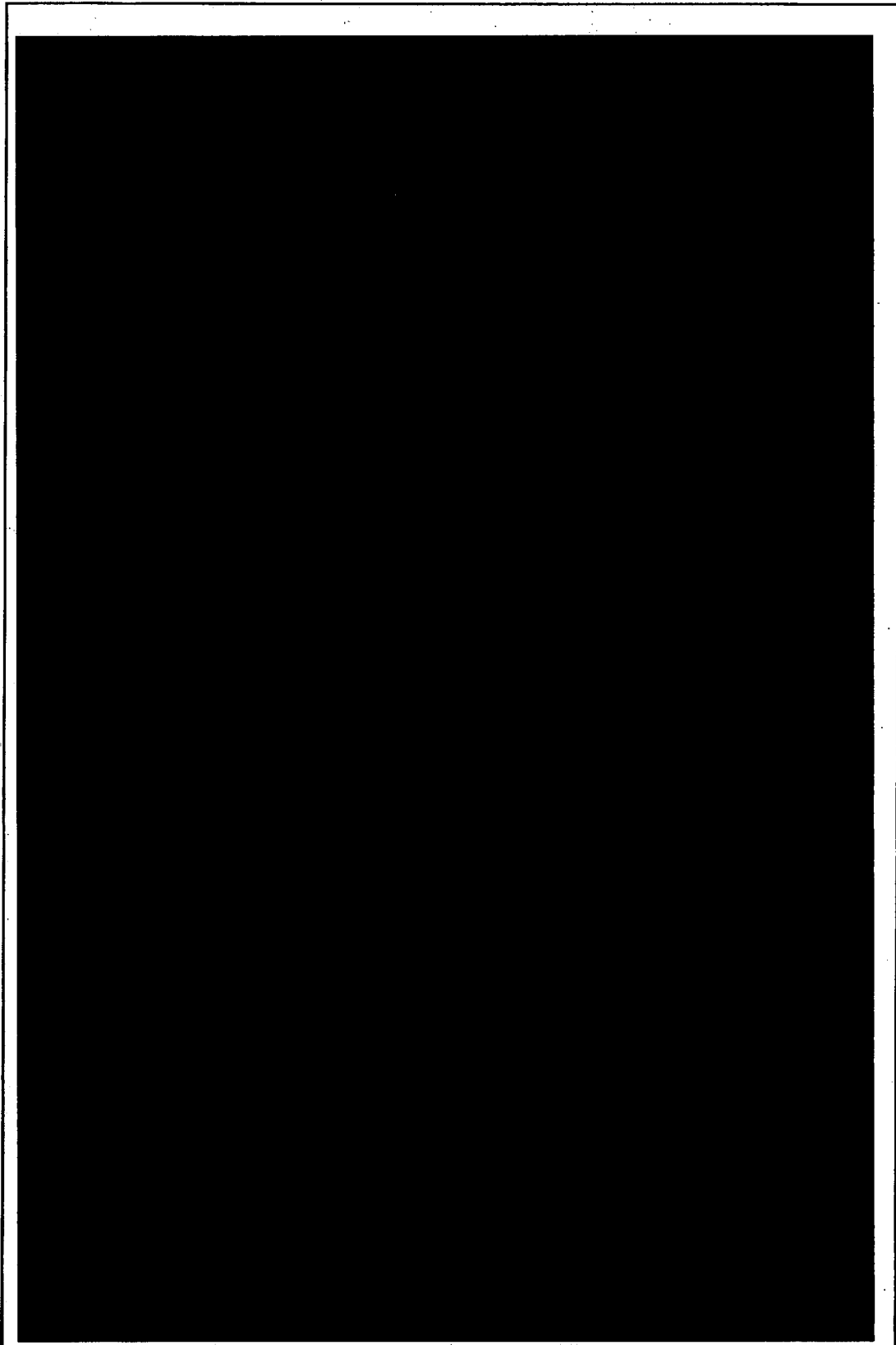
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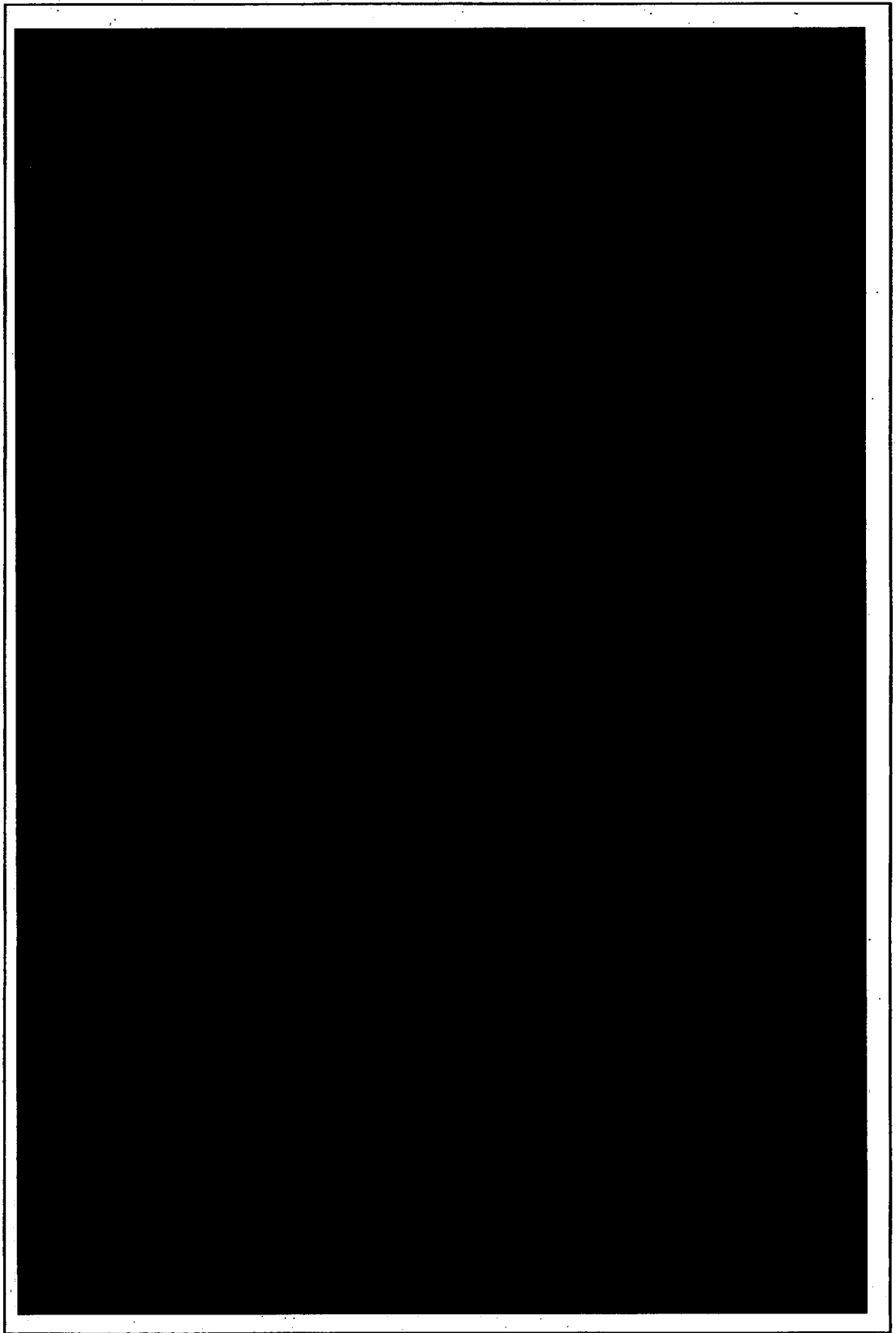
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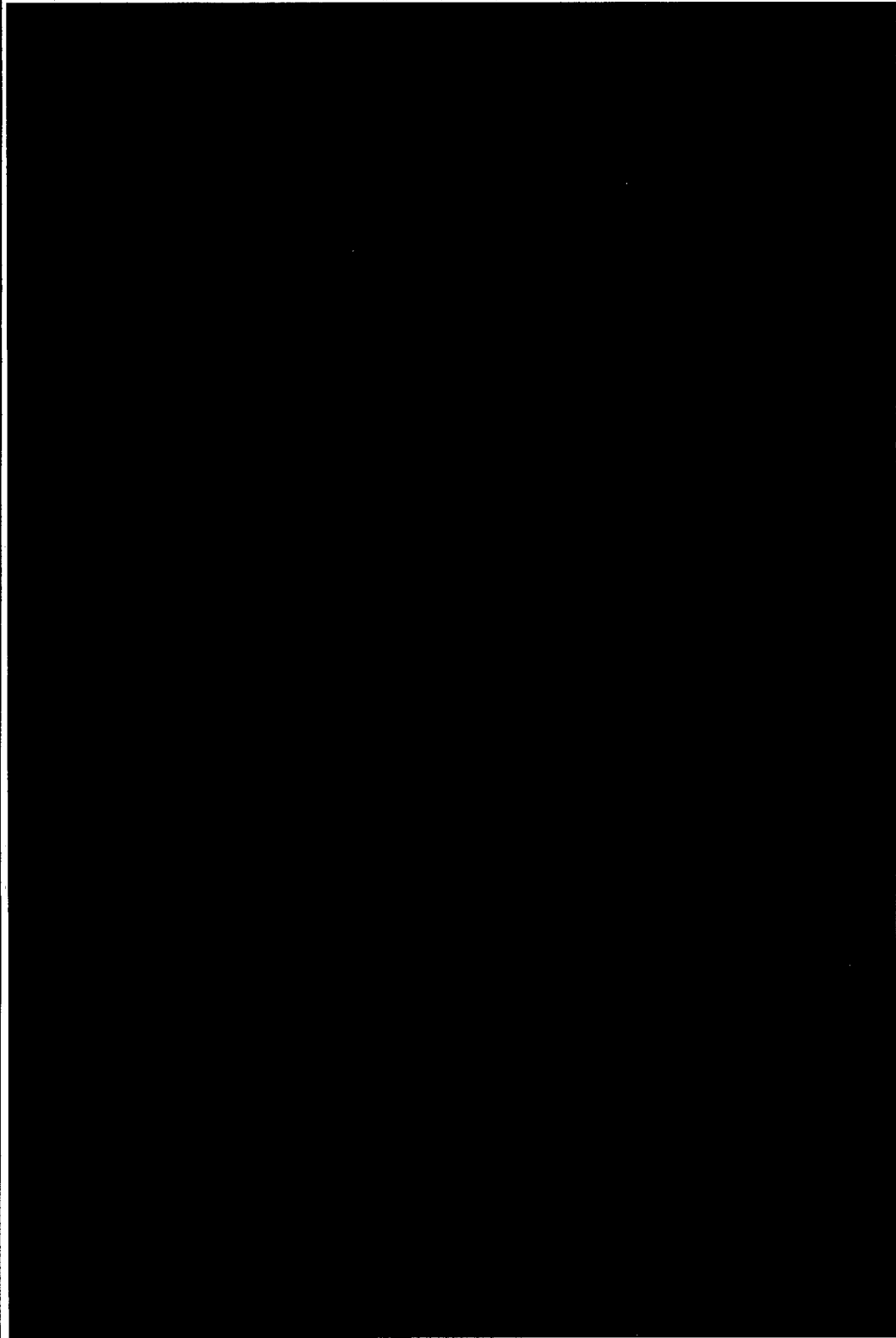
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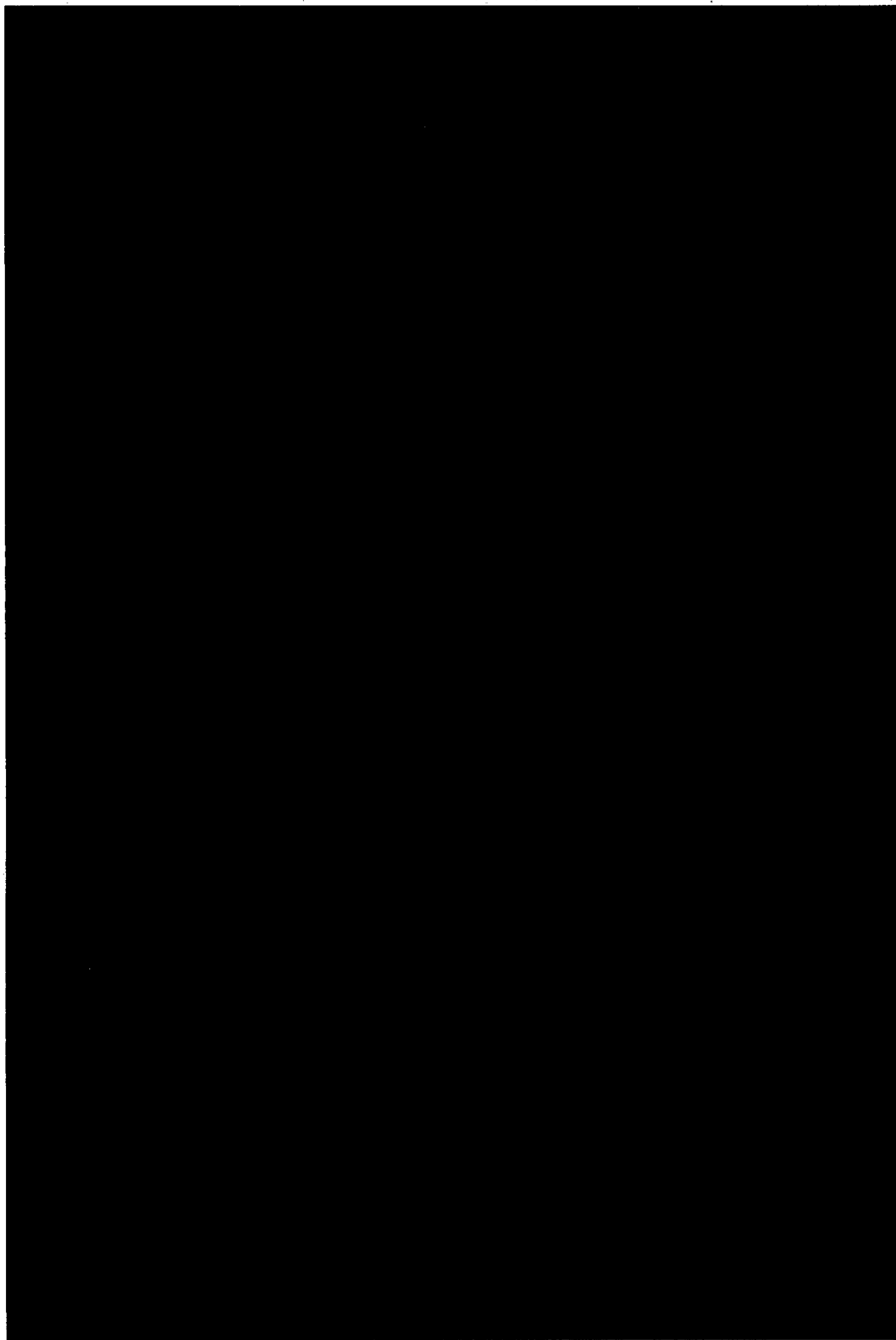
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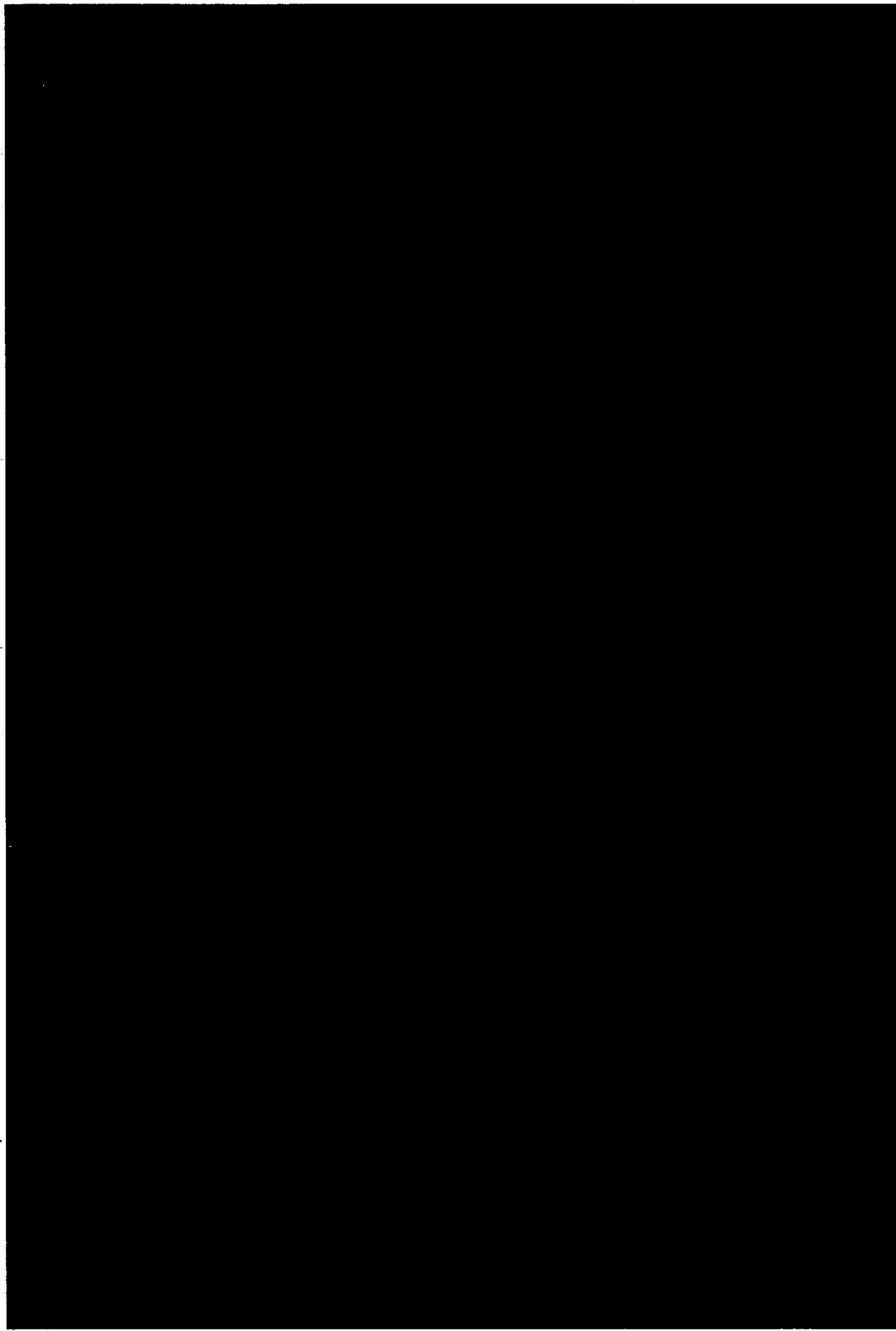
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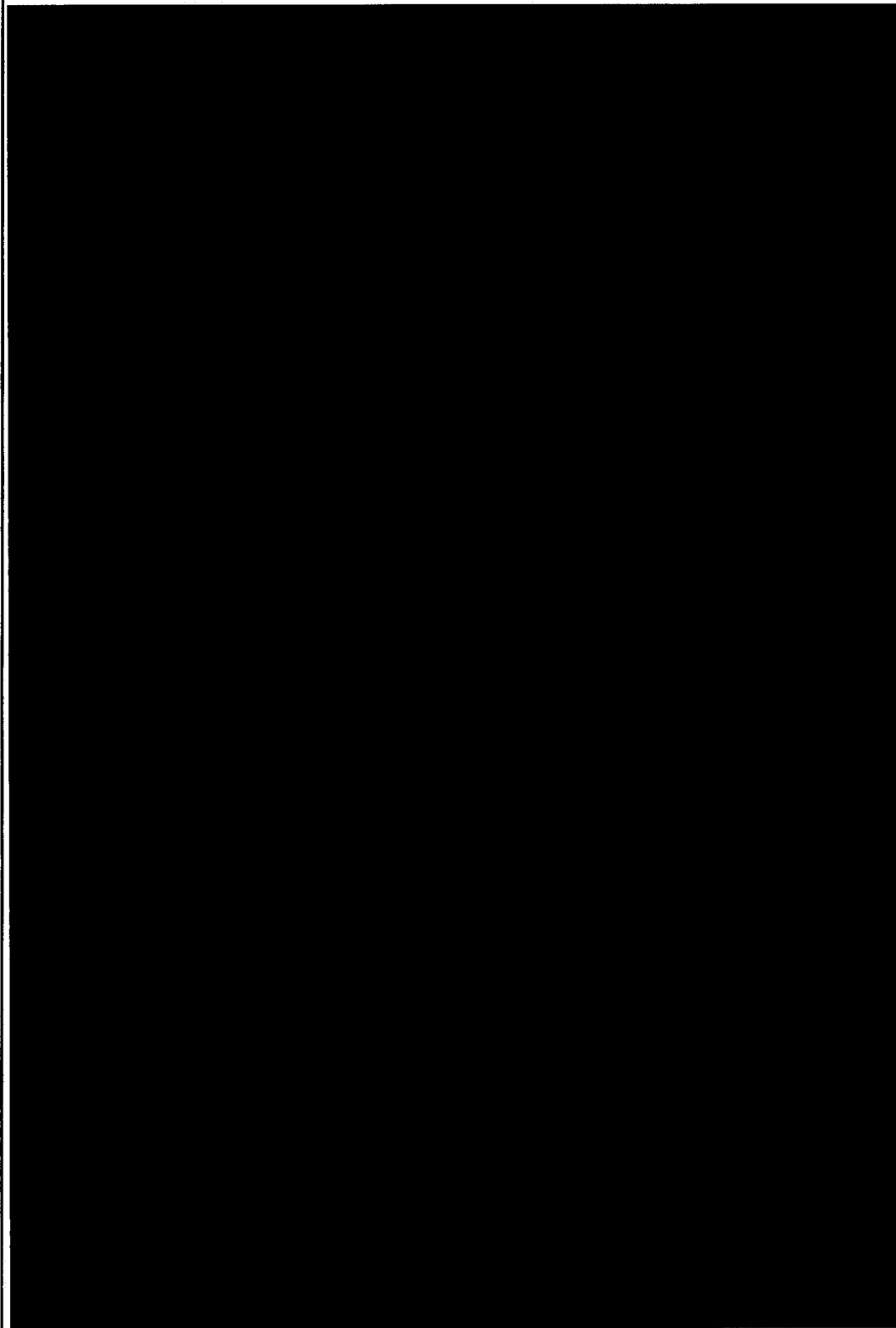
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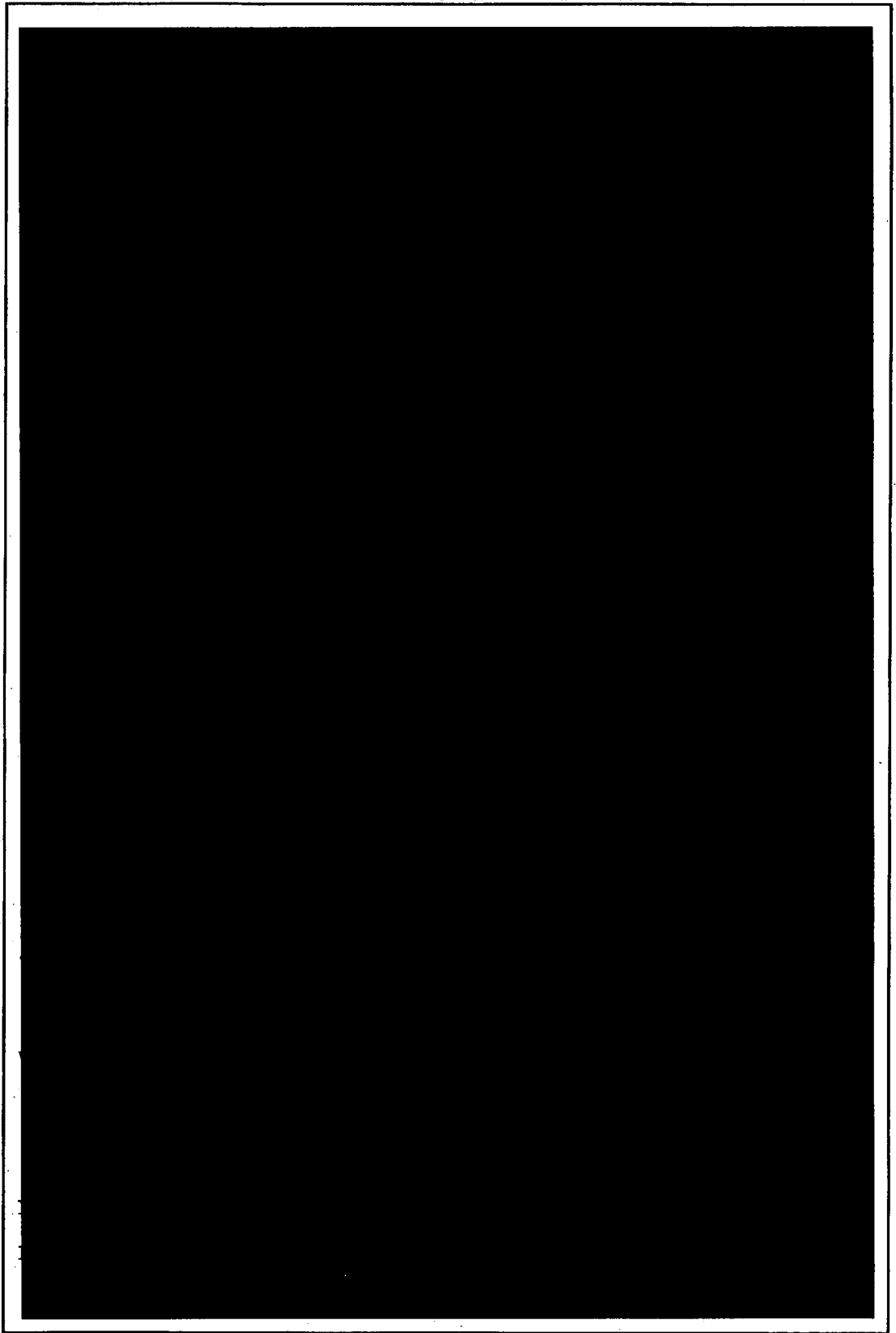
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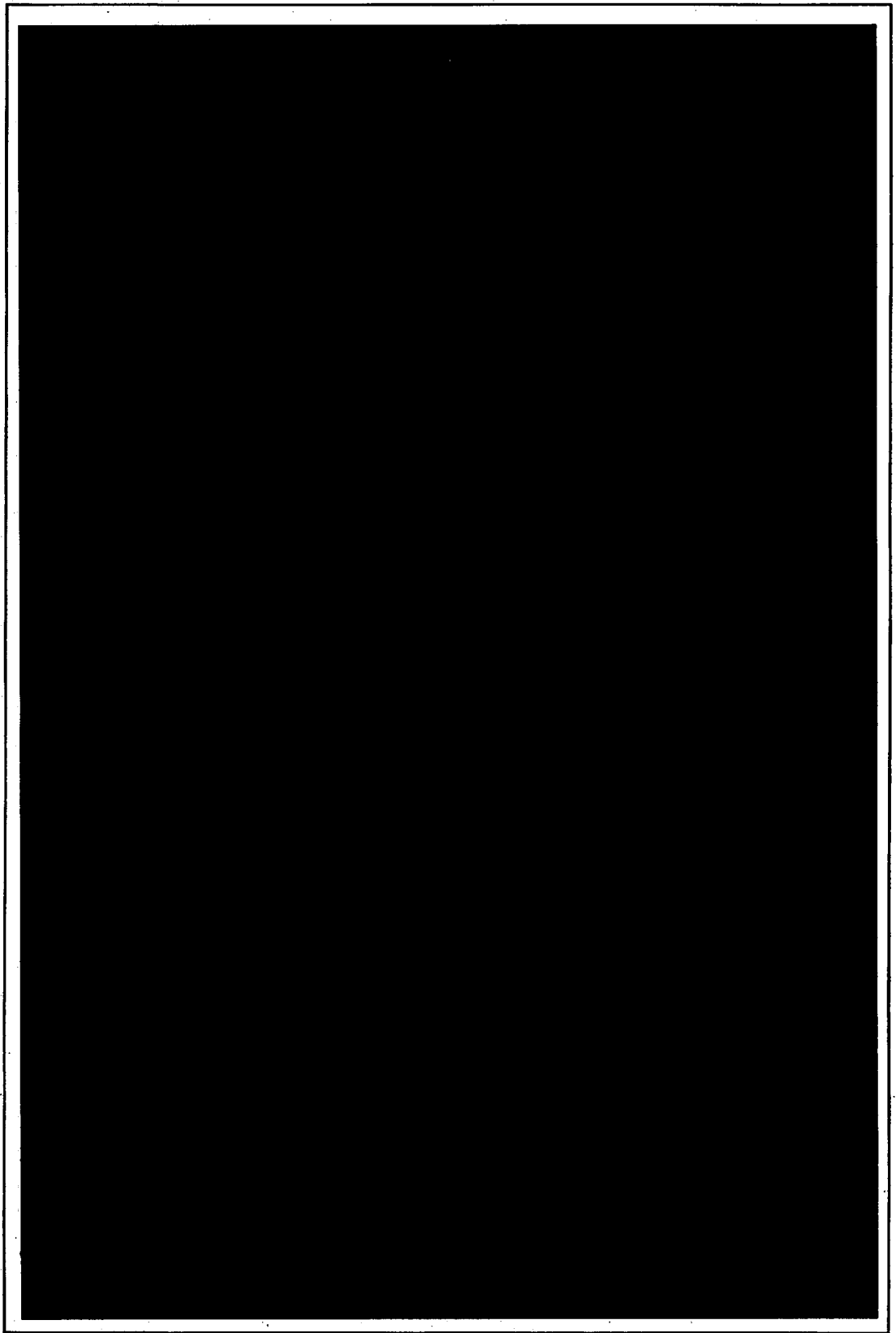
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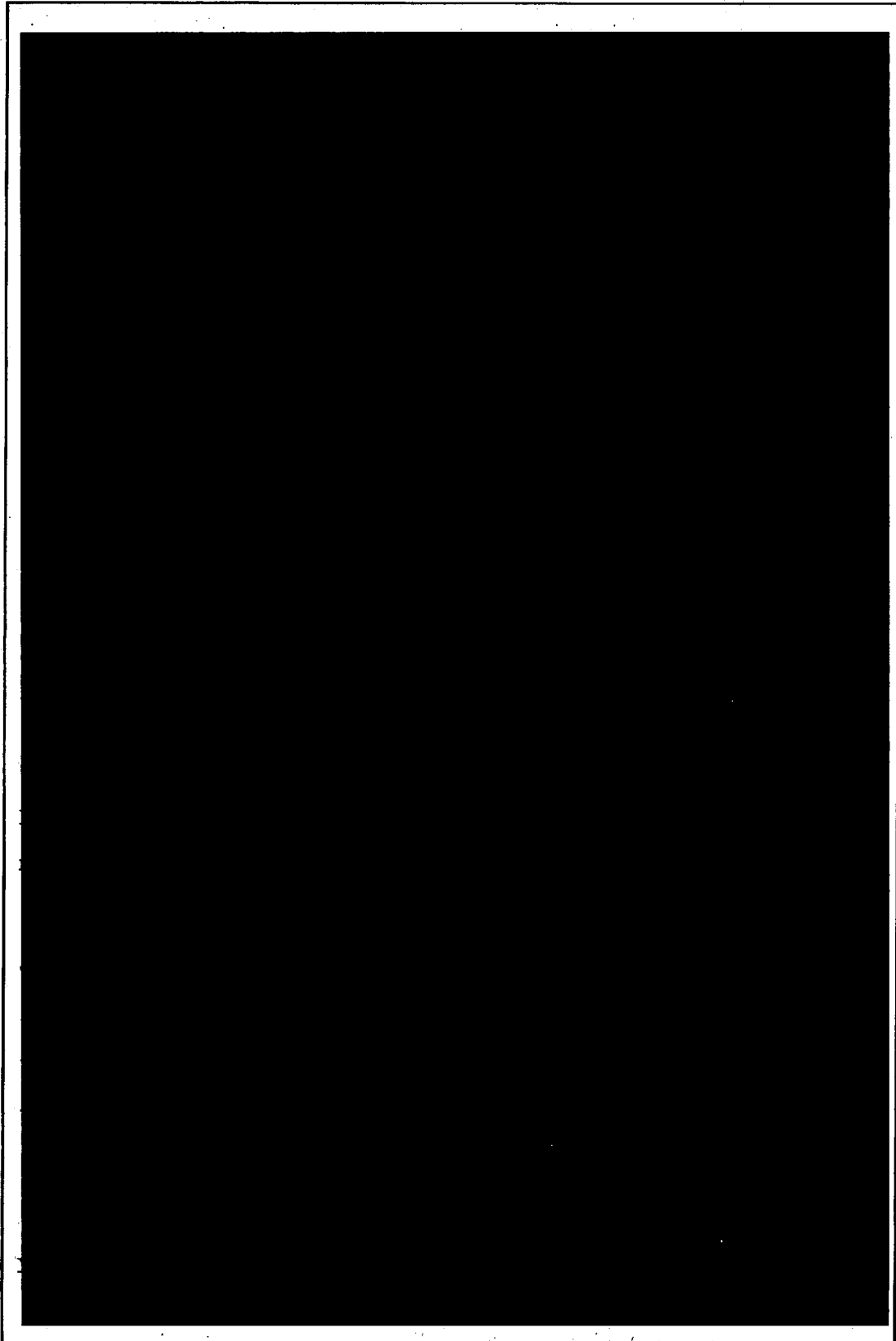
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BY MR. TREMBLAY:

Q. In your work at any time up until the time you left the employment of Century Products, did you undertake extruder tests? Did you make any extruder tests?

A. You have to repeat it. Sorry.

Q. From the time period from whatever until February 18th, 2004, did you undertake any extruder tests?

A. Anywhere?

Q. Anywhere.

A. Yes.

Q. Okay. Did you document any of that testing?

A. Yes.

Q. Okay. Are they documented in what? Where are they documented?

A. They are documented in the laboratory reports as separate reports by the extruder companies and separate reports by me that were used in presentations.

Q. Okay.

MR. ROBINSON: This is prior to Century

1 Products, correct?

2 MR. TREMBLAY: No. I asked him at any time.
3 At any point in time.

4 MR. ROBINSON: Okay. Sorry.

5 BY MR. TREMBLAY:

6 Q. All right. At any time did you make any test
7 with extruders approaching 100 millimeters in diameter?

8 A. You'll have to define "approaching."

9 Q. Well, let's start with 100 millimeters in
10 diameter.

11 A. No.

12 Q. What was the largest in diameter that you did
13 test with? And I'm talking about this process.

14 A. I believe it was around 68, 65. Somewhere in
15 there.

16 Q. When was that?

17 A. Prior to Century Products if that's what you're
18 after.

19 Q. That would be the case. So, when?

20 A. 2001ish, but they're in the reports. I don't
21 remember the exact date.

22 Q. So, that would be Ecomat reports?

23 A. Century-Board, but prior to Century Products.

24 Q. And that would be in New York?

25 A. In New York.

1 Q. Okay. Did any of those extruders that are in
2 the report actually work?

3 MR. JULANDER: Objection. It's vague and
4 ambiguous

5 THE WITNESS: What do you mean work?

6 BY MR. TREMBLAY:

7 Q. Well, did they perform the function by which
8 they were being used?

9 A. Yes.

10 Q. Okay. That's what I meant by work.

11 A. Okay.

12 Q. Okay. I didn't mean did it produce a
13 commercially viable product, just that it performed the
14 function that it was designed for.

15 A. Right.

16 Q. Okay. And when I use it as I'm going through
17 this list of questions, that's what I mean by work.
18 Failure would be it didn't perform the function for
19 which it was designed. Can we accept that?

20 A. Well, I may have -- yes, I'll try. I'll
21 probably forget.

22 Q. Just ask me.

23 A. Okay.

24 Q. Are there any reports -- I haven't had a chance
25 to go through all your reports, and so I'm going to ask

1 you a couple of questions. With respect to products
2 that you've worked on at any time all the way up until
3 February 18th, 2004, are there any reports that you
4 prepared on the fading of the product in ultraviolet or
5 sunlight?

6 A. Again, you're referring to any time?

7 Q. Any time.

8 A. Yes.

9 Q. And now I'm going to take you to the time
10 before Century Products. All right. At any time before
11 you worked with Century Products, do you have any of
12 your reports dealing with fading of the product in
13 ultraviolet or sunlight?

14 A. Yes.

15 Q. And in that circumstance before you come to
16 Century Products, do any of those reports deal with
17 fading of polyesters being worse than polyethers?

18 A. Polyester polyols --

19 Q. Polyester polyols.

20 A. -- being worse than polyethers?

21 Q. Yes.

22 A. I believe so. I believe we did that.

23 Q. Okay. You did some testing in that regard.
24 You were able to calculate -- which was worse?

25 A. You said fading?

1 Q. Fading. Sunlight or ultraviolet. That is
2 natural sunlight ultraviolet.

3 A. I believe it was individual-polyol related. It
4 wasn't a matter of this class is better than that class.

5 Q. Okay. Did you -- what particular polyols? Do
6 you recall?

7 A. What do you mean, what particular polyols?

8 Q. Well, polyols, are they not labeled by certain
9 manufacturers? I think one of them is Bayer?

10 A. Right.

11 Q. Okay. That's what I meant.

12 A. We tested hundreds of polyols from 15, 20
13 different suppliers.

14 Q. Right.

15 A. 30 maybe.

16 Q. Right. And you made reports on which ones
17 faded worse or less worse in sunlight or ultraviolet?

18 A. In some cases we did. Some case we didn't look
19 at sunlight. Sunlight wasn't the concern at the time.

20 Q. And those would be in your reports?

21 A. If there was a -- not everything we did
22 obviously ended up in reports. It may still be in lab
23 books because it didn't work too well, and we said,
24 "What's the point." And we didn't write a report, but
25 generally, most concepts got into the reports somehow.

1 Q. Okay. Were some of these experiences with
2 different suppliers of polyols fading in ultraviolet or
3 sunlight, the degree of fading, how much they faded, was
4 some of that done while at Century Products?

5 A. I don't believe we did. We put some boards on
6 the roof for fading, but we didn't do a lot of sunlight
7 work, no.

8 Q. Well, the 30 or so suppliers, you had
9 experienced with those before you came to Century
10 Products?

11 A. Yes, before.

12 Q. And so the calculations made, they were all
13 made to the extent that they were made while before you
14 came to Century Products that appear in the reports?

15 A. Yes.

16 Q. Scratching, surface hardness, I want to go into
17 that area. Did you have any reports dealing with the
18 box molded material versus the extruder material having
19 a difference of scratching, that is one was less
20 scratchable?

21 A. That's a good word.

22 Q. Okay. It kind of sounds like a verb, though.

23 A. Possibly. I don't quite remember whether we
24 did scratching itself. There's another test we use,
25 which is usually related to scratching, and that's

1 called hardness, and that, we did do on the extruded
2 versus non-extruded.

3 Q. Okay. Was that done at Century-Board or prior
4 to Century-Board?

5 A. Century-Board.

6 MR. JULANDER: Century-Board?

7 BY MR. TREMBLAY:

8 Q. It was done at Century-Board, not at Century
9 Products?

10 A. That's right.

11 Q. Okay. Thank you. And the scratching, you
12 don't recall anything particular on scratching
13 difference between extruded and box molded on that in
14 particular as opposed to hardness in and of itself? I
15 understand they're related, but I'm just --

16 A. I just can't remember whether we did or not.

17 Q. Okay. Did you ever do any scratching testing
18 or reports while at Century Products?

19 A. We did scratching testing, yes.

20 Q. Okay. Did you find any information about
21 whether extruded materials scratched less or more?

22 A. Yes.

23 Q. Okay. What did you find?

24 A. The extruded materials, remember, were not
25 performing well while I was at Century Products. We

1 never made the good commercial formulation, but since
2 they weren't very good, they scratched easily, and the
3 stuff we made in the box molds were better on
4 scratching.

5 Q. Here's a good time to ask a question. Why
6 wasn't the extrudate material forming well at Century
7 Products?

8 A. Performing well.

9 MR. JULANDER: Objection. It's vague and
10 ambiguous.

11 BY MR. TREMBLAY:

12 Q. Forming. I thought you said it wasn't forming.

13 A. No. Is that what you said?

14 Q. Yes. Did you say, "performing well"?

15 A. Yes.

16 Q. It's the end of the day.

17 A. Say it again, please.

18 Q. Yes, I will. I'll withdraw it. I didn't catch
19 that prefix. Anyway, why was it that the extruder
20 material was not performing well at the Anaheim plant
21 while you were working there?

22 A. There are several reasons.

23 Q. You can start.

24 MR. JULANDER: In fact, why don't we pose an
25 interjection. I'm going to object that it's vague and

1 ambiguous. And the issue that I'm thinking is are you
2 asking him about his knowledge at that time or his
3 knowledge today?

4 MR. TREMBLAY: Let's see which way -- I'm going
5 to want both.

6 MR. JULANDER: Do you see my point?

7 MR. TREMBLAY: But why don't we start with his
8 knowledge then.

9 MR. ROBINSON: Before we proceed, can I chat
10 with you for a second?

11 MR. TREMBLAY: Yeah. We're going to take a
12 short break.

13 (Recess)

14 BY MR. TREMBLAY:

15 Q. What I'd like to know, Mr. Brown, is could you
16 explain for me the reasons why, as best you knew at the
17 time that you were working on the process at Century
18 Products why the process wasn't developing into a
19 commercially viable product?

20 A. It was pretty clear by continuing to do mold
21 work versus extrusion work, bucket versus extrusion,
22 that we were not getting mixing in the extruder, the
23 kind of mixing you need to get urethanes to emulsify or
24 to mix well. We weren't sure why because we had done
25 extrusion eight times before, other extruders, and they

1 all worked, so it was a big mystery. "Why isn't this
2 extruder working?"

3 Q. This is extruder No. 1?

4 A. There was only one.

5 MR. JULANDER: There's only one.

6 THE WITNESS: The extruder at Century Products
7 was not mixing and giving good properties like extruders
8 had done before or like the hand mixing did, so there
9 was a mixing problem. There were other side problems
10 that really caused a lot of trouble and delayed the
11 solution, which was ash problems, ash flooding through
12 the extruder, inconsistent ash feeding into the
13 extruder, which was a severe problem for, I think, over
14 a year. It just delayed everything.

15 MR. JULANDER: Let me interject one thing,
16 Wade. His question isn't limited to the extruder.

17 THE WITNESS: I haven't finished.

18 MR. JULANDER: I just want you to understand.
19 Don't -- you know.

20 THE WITNESS: So, there were ash feeding
21 problems that ate up a lot of time and money. There was
22 incomplete mixing, which was the biggest problem we
23 felt, and then the next biggest problem was the forming
24 unit, the first forming unit, did not provide enough
25 pressure to form a good -- it didn't make a good

1 product.

2 BY MR. TREMBLAY:

3 Q. Okay. Can I break the -- have you finished as
4 far as the reasons?

5 A. Yes.

6 Q. Let me try to capsize and break them down. You
7 have a mixing problem, correct?

8 A. Yes.

9 Q. Can we call it a filler problem as to where
10 we're combining the filler?

11 A. Well, it wasn't combining, it was the feeding.

12 Q. The feeding.

13 A. Into it.

14 Q. So, that's a filler problem. Can we call it
15 that?

16 A. Yes.

17 Q. And then we have a forming problem, correct?

18 A. That's correct.

19 Q. Okay. In the mixing problems, was that both
20 mechanical and composite?

21 A. In the material.

22 Q. Material. Both mechanical and material?

23 MR. JULANDER: And, again, this is your state
24 of mind at the time.

25 / / /

1 BY MR. TREMBLAY:

2 Q. At the time.

3 A. Well, we knew from when we started to when I
4 left that the materials made a difference. We went from
5 really awful stuff that hardly came out in a shape of
6 any use until we had stuff at one time we almost went
7 commercial with, so we got pretty close. Nowhere near
8 what we wanted, but close enough. It was better or a
9 little above the properties of the competitor.

10 Q. So, was it a combination of tweaking the
11 materials and tweaking the mechanical, the extruder?

12 A. Well, at the beginning we didn't know.

13 Q. Right.

14 A. My theory was since I knew extruders worked,
15 this one is going to work, too.

16 Q. So, it was material at the beginning?

17 A. It was something wrong with the material. We
18 did a lot of work on the materials, and it didn't get us
19 where we wanted to get to.

20 Q. So, in the beginning it would be fair to say,
21 then, in the mixing problem as your state of mind is
22 developing at that point in time, you're focusing on,
23 "It is a materials problem"?

24 A. That's not quite fair. Maybe I misstated it.

25 Q. I'm trying to get back into your mind as a

1 scientist at the time. You're getting observable
2 results, and you're saying to yourself, "The problem has
3 go to be with this." So, that's what I'm trying to say.

4 A. I'll back up a little bit.

5 Q. Yeah. Go ahead.

6 A. When we extruded at the extruder houses when we
7 rented the extruders and ran those eight times, we sort
8 of picked a formulation from the shop where we did
9 castings. We went to the extruder house. We turned it
10 on, and it ran. And in most cases it just ran whatever
11 we came with in our heads from running in the shop for
12 molding or our the extruder we had in the shop. We had
13 an extruder in the shop, too.

14 So, we had to add a little extra catalyst
15 because we're going faster now, and it ran, and it made
16 good lumber. And we did that eight times, so we didn't
17 expect to run into extruder problems.

18 So, when we turned on this extruder in Anaheim
19 and crap came out, we were -- I was surprised.
20 Something is wrong, drastically wrong because we could
21 run anything before, and it worked. Anything
22 reasonable. We took the same formulations from the
23 other extruder houses, and ran them here in Anaheim, and
24 they were crap.

25 So, it was clear the extruder was different.

1 We knew that from day one; the extruder was different.
2 And we thought we couldn't do a lot with the extruder.
3 We changed the screws around. We did what we could. We
4 ran it faster, slower, all those kinds of things you
5 would do with an extruder, but we really didn't make
6 great changes. We didn't get better. So, from a
7 chemistry point of view, I said, "There must be
8 something I can do to improve the formulations
9 chemically," and I did. It got much better, as I said,
10 almost to the point where we would call it commercial.
11 Still disappointing, but got close.

12 Q. How long did that take?

13 A. A year and a half, something like that.

14 Q. Okay.

15 A. So, we knew it was mechanical and the chemistry
16 obviously is making a big difference, so the chemistry
17 had an influence, but it was never fixing enough on the
18 mechanical side.

19 Q. Okay. When you were making the chemistry
20 changes to the materials, is that when you were using --
21 is it called the Tagucci method?

22 A. Yes.

23 Q. Is that when you were doing the Tagucci method?

24 A. Well, that's one of the methods we used, yes.

25 Q. Yes. But it was during that -- trying to solve

1 that particular mixing problem?

2 A. Well, the Tagucci method was used for lots of
3 thing. For getting the right color, for getting the
4 right density, the right amount of foaming. It wasn't
5 just used for fixing an extruder.

6 Q. So, you used it as a standard methodology in
7 trying to come up with the right chemistry on different
8 problems?

9 A. Yes.

10 Q. Okay. All right. While I'm on the Tagucci
11 method, is the Tagucci method appropriately used when
12 the ingredients are dependent upon each other?

13 A. Not necessarily.

14 Q. Were your ingredients dependent upon each
15 other?

16 A. Yes -- well, some. I shouldn't say yes. Some
17 were, some weren't.

18 Q. Does that flaw the Tagucci method as a
19 methodology that should be used when you have the
20 dependent ingredients and you're trying to determine
21 where the combination needs to be changed?

22 A. No. No. The Tagucci method can be used even
23 if they're are independent.

24 Q. No. If they are dependent.

25 A. If they're dependent, it works fine. If

1 they're independent, it works fine. It depends what you
2 use it for. And the Tagucci method has -- in fact, part
3 of the calculation that comes out of Tagucci is it shows
4 dependence or non-dependence. It actually tells you how
5 much dependence there is.

6 Q. I've read some materials and volumes of
7 documents that you ran, maybe, over 300 experiments
8 during the time that you were there.

9 A. Yes.

10 Q. And some of those related to the mixing
11 problem?

12 A. Yes.

13 Q. About how many of those, if you can recall, of
14 the more than 300 experiments you ran were related to
15 mixing problem that we've described?

16 A. I don't know the number, but I'd say most.

17 Q. Okay. More than half?

18 A. Yes.

19 Q. Okay. Now, you talked about the filler problem
20 being a feeding problem, that is, as I understand from
21 reading some of the materials, some of the material that
22 goes into the mix you over a process of time learned to
23 put it in at different times?

24 A. Sorry. Say that part again.

25 Q. Some of the materials that you're putting into

1 the mix before it comes out onto the conveyor belt,
2 you're putting in at different times?

3 A. Yes.

4 Q. Okay. And one of those is the filler itself?

5 A. Correct.

6 Q. Okay. And you were having difficulties, as I
7 understand, as to feeding that filler in?

8 A. Yes.

9 Q. Okay. The mechanism, how it should be feed,
10 when it should be feed, and what proportions it should
11 be feed?

12 A. And the consistency.

13 Q. Right. All right. Is that an adequate
14 description of the problems you were having?

15 A. It's a little broader than that, but that sort
16 of covers it, yes.

17 Q. Okay. So, what was your thinking in that
18 regard when you were starting to encounter the filler
19 feed problems? What did you think was going on at that
20 point in time?

21 A. Well, we were -- this is going back -- we had
22 never had those problems in all the years we worked in
23 New York, and we never had that problem at the extruder
24 houses where we fed ash. It was a new phenomenon for
25 us, and clearly due to, I think, the poor design we had

1 in the ash system. The whole system was not well
2 designed.

3 Q. To feed it?

4 A. To feed it, yes.

5 Q. Can we call that the feeder?

6 A. Well, it's a complex -- several components, but
7 the feeder total.

8 Q. Right.

9 A. And the feeder had what we call flooding
10 problems where the whole thing would run through the
11 extruder.

12 Q. Right. That must have been lovely.

13 A. It killed the whole day, and sometime we'd lock
14 up the whole extruder, so we'd lose days sometimes in
15 that problem. Then there was another problem which was
16 even though it didn't flood for the day, it was
17 inconsistent where you had too much ash and then too
18 little. And either that would lock up the extruder or
19 give us very funny results, or it would block up the
20 die, or it would cause it to stick to the belts. So, it
21 was a constant battle we had with the ash. Consistency.

22 Q. Were you experimenting with different types of
23 ash?

24 A. We did use different ashes. What was more -- I
25 mean, we were also experimenting on how to fix the ash

1 feeding machine.

2 Q. Who designed the ash feeding machine?

3 A. I don't know who actually did the design, but
4 it was purchased by Ted Butteriss.

5 Q. All right. Was it redesigned during the time
6 that you were there?

7 A. We redesigned almost everything in it as we
8 went on, yes.

9 Q. And when you say, "we," who is that?

10 A. Well, we called in some experts, and we had
11 some outside people who -- other outside people besides
12 the experts, who gave us theories about why it was not
13 working. And so we would change things as we went
14 along, and some things helped, and some things didn't.
15 Finally, we found something that really did fix it,
16 which we installed, and that sort of solved the problem.

17 Q. What was that?

18 A. It was a rotary valve. It only allowed a
19 certain amount in no matter what you did, so it solved
20 both problems.

21 Q. And who came up with that?

22 A. I got that idea from a guy in Turkey.

23 Q. Okay. And was that over the phone, over the
24 internet?

25 A. It was phone and internet communication.

1 Q. Okay. All right. Once again, that was at
2 Century Products?

3 A. Century Products.

4 Q. Okay. What led you to work with Navajo ash?

5 A. That ash was one of the best ashes we ever used
6 in New York. We used probably 50 ashes in New York.
7 That was one of the best. It was also on the west
8 coast, and I believe at the time when we seriously got
9 into extrusion, we asked Ameren their thoughts and what
10 ash to use since it was eventually going to be their ash
11 we were going to be using, and it was agreed that Navajo
12 was a good ash from their point of view. It was readily
13 available near Anaheim. It made sense.

14 Q. Did you find that Ameren had extensive
15 understanding and experience and know-how with regard to
16 ash?

17 A. Ash by itself, yes.

18 Q. Okay. How about ash as a filler?

19 A. No, I don't think they understood ash as a
20 filler.

21 Q. Okay. And would you also say in your opinion
22 they did not understand ash as a filler with
23 polyurethanes?

24 A. I think that's clear, yes.

25 Q. Okay. So, once you fixed the feeding mechanism

1 by adding the rotary to it, did that solve the filler
2 problem?

3 A. It did.

4 Q. Okay. And what time frame are we talking now
5 that, at least, the feeding problem was solved? Was the
6 mixing problem still going on?

7 A. Yes.

8 Q. Okay. So, you solved the feeding problem
9 first?

10 A. Yes.

11 Q. Okay. And how long after you had gotten there
12 does the feeding problem get fixed?

13 A. The feeding problem is kind of late toward my
14 end of employment there. I don't quite remember.
15 Maybe -- I don't know. Four to six months before I
16 left.

17 Q. Okay.

18 A. I'm guessing.

19 Q. Now we're going to deal with the forming
20 problem.

21 A. Okay.

22 Q. What was that?

23 A. Well, let me put it in a bit of context. The
24 forming unit worked. The first forming unit actually
25 worked quite well.

1 Q. And that was what kind of forming unit?

2 A. It was the sliding rubber belts with the air
3 cavities.

4 Q. Is that the first one?

5 A. No. 1. No. 1 actually worked. When it didn't
6 work is when we overloaded or we had ash feeding
7 problems. So, when the variation in the output due to
8 the poor feeding of ash, then you would see -- the belts
9 either locked up or freezed or something.

10 Q. But you would have expected that on any forming
11 unit using conveyor belts?

12 A. It would have caused --

13 MR. JULANDER: Let him finish his question.

14 BY MR. TREMBLAY:

15 Q. You would have expected to see that problem due
16 to poor feed or inconsistent feed of ash on any conveyor
17 belt system, correct?

18 A. Yes.

19 Q. Okay. I just wanted to clarify that the
20 consequences of a poor feed will affect any forming
21 unit, would it not?

22 A. Yes.

23 Q. Even a box forming unit?

24 A. Yes.

25 Q. Okay.

1 A. But there is a difference.

2 Q. Go ahead. Tell me the difference.

3 A. The difference is the first unit was a very
4 almost laboratory pilot plantish kind of a unit.

5 Q. Prototype?

6 A. A prototype. It really wasn't meant to do
7 heavy duty commercial work.

8 Q. Right.

9 A. And also because of the nature of how it was
10 built, its design, it couldn't handle the ash problems
11 as easily as probably the new forming unit, No. 2 works
12 because it's much sturdier and ten times the price, and
13 it could do more to handle such problems. It still
14 would make a lousy product if you varied the ash. But
15 the first unit, we didn't anticipate the ash varying by
16 huge percentages, so it was more of a problem with the
17 first unit, but once it was fixed, the first unit didn't
18 have as much problems.

19 Q. What were the other forming problems other than
20 the inconsistency of ash having some effect on the end
21 product as it was coming through the forming unit?

22 A. Well, the problem we had determined by using
23 box molds, which do have high pressure is that the
24 forming -- the first forming unit could not apply as
25 much pressure on the foaming product. If you foam too

1 much or you wanted to foam too much so you get a real
2 compact system, it would sometimes just leak out of the
3 belts. It just couldn't hold the pressure, so we knew
4 that, "Okay. We can't go to high pressures with this
5 machine," the first one, so there's a limit, but if we
6 could go to high pressure, we'd probably get a better
7 product. We knew that from day one when we selected the
8 first unit that it wasn't going to be the winner. It's
9 just going to get is into business. Get us into trial.

10 Q. Markets?

11 A. Yeah. Not develop commercial products, but it
12 would get us to see if the process worked because no one
13 had made this monstrous machine before. Did I finish
14 that? I think I finished that.

15 Q. Okay. So, what was the fix for the pressure
16 problem dealing with the foaming?

17 A. The fix was to get a new forming unit that
18 could handle much higher pressures and design it so that
19 it would do that.

20 Q. Who decided to do that?

21 A. When we first started the company -- actually
22 before Ameren signed, we had a presentation where we
23 presented these ideas about the forming units, and Zack
24 Taylor presented various forming units, and we had
25 chosen to go ahead with two, one quickie, no. 1. With

1 an insurance, they called it No. 2, the real unit, which
2 can do higher pressure. They later canceled No. 2, and
3 we went ahead with No. 1 only.

4 Q. Who is "they"?

5 A. Well, I guess you could say Century Products or
6 Ameren decided not to fund the second unit until later.

7 Q. Okay.

8 A. And then when we convinced Ameren that this No.
9 1 unit is lacking in pressure, it'll never get there, we
10 need to go to a newer unit, then Ameren said, "Okay, buy
11 the second unit."

12 Q. Who designed the first unit?

13 A. Zack Taylor.

14 Q. Okay. And who designed the second unit?

15 A. Zack Taylor with the equipment company.

16 Q. Okay. When you were there, before you left,
17 you had told me yesterday that the new unit had come on,
18 was on the premises, but was not yet being used.

19 A. When I was there.

20 Q. Okay. Is that true?

21 A. That's true.

22 Q. Okay. So, when you were there, you weren't
23 able to see how it performed, but since you've left you
24 had an opportunity to go to the plant and see how it
25 performs, correct?

1 A. Yes. But I also -- the week after I -- before
2 I was actually terminated, while I was on leave, I went
3 back to the plant to pick up some personal items, and
4 Ted Butteriss told me how the new one had performed. He
5 gave me data.

6 Q. He gave you actual written data?

7 A. No. Verbal data.

8 Q. What did he tell you?

9 A. He told me that the new unit on the formulation
10 we were using before, the old forming unit, now were 500
11 PSIs stronger.

12 Q. Okay. What was different about the new forming
13 unit, the second one, than the older one with regard to
14 pressure? Was there any added apparatus?

15 A. Yes.

16 Q. Okay. What was that as far as you understood?

17 A. The belts were held differently.

18 Q. How so?

19 A. They were in cavities inside cleets rather than
20 guided by outside belts.

21 Q. How was the pressure applied?

22 A. Through cleets.

23 Q. Okay.

24 A. There wasn't the use of air. That was the main
25 difference. To apply pressure on the belts.

1 Q. Okay. Were those all the problems? I don't
2 want to cut you off.

3 A. Well, there's some -- those are the main
4 problems, but there are some parts of that that don't
5 quite jump out when you look at that list. One of them
6 being that the extruder could not be run at high speed
7 very well because of the ash, for one reason. Every
8 time you turned up the extruder, the ash would flood
9 because of vibration, so they were interconnected and
10 they blocked each other.

11 Q. During the time that you were at Century
12 Products, Dr. Shutov came?

13 A. Shutov.

14 Q. Thank you. Dr. Shutov came, correct?

15 A. Yes.

16 Q. And I want to talk about that time frame. Did
17 he assist at all in fixing any of these problems?

18 A. I guess the answer is no.

19 Q. Okay. Were you and he working on anything
20 separate, separate processes during the time that he was
21 there and you were there?

22 A. I'm not sure what you mean by "separate."

23 Q. Separate-based materials processes?

24 A. I still don't know what you mean.

25 Q. What was he working on when you were there?

1 A. We worked on the same problem, same equipment,
2 trying to solve it.

3 Q. Okay. What about the materials? Were you
4 working with the same materials?

5 A. He introduced some new materials.

6 Q. Which were?

7 A. New resins, new polyols, new isocyanides, new
8 ashes, new other things, yes.

9 Q. All right. So, when he came on, and he
10 introduced the new resins, new polyols, new isocyanates,
11 were the ones that you had previously worked on, and did
12 you abandon those and now start adopting the ones that
13 he had provided?

14 A. Yes.

15 Q. Okay. So, did you -- while Dr. Shutov was
16 there, you used the Tagucci method?

17 A. No.

18 Q. Okay. Did you stop doing that?

19 A. I did.

20 Q. Was that because Dr. Shutov said it wasn't a
21 good method for what you were doing?

22 A. No. Because Ameren said it wasn't a good
23 method.

24 Q. Okay. And who at Ameren said that? Was it
25 Kim?

1 A. Oh, no. She was gone by then.

2 Q. Okay.

3 A. I can't think of his name.

4 Q. Chemist?

5 A. Engineer.

6 MR. ROBINSON: Dan Lidisky.

7 MR. TREMBLAY: And you got to say something.

8 You've been pretty quiet all day.

9 MR. ROBINSON: I've been pretty well-behaved

10 today. Okay. I'm sorry.

11 BY MR. TREMBLAY:

12 Q. How did you get along with Dr. Shutov?

13 A. I thought fine.

14 Q. Okay. And what do you think of him as a

15 scientist?

16 A. I don't think he's a scientist.

17 Q. What do you think he is?

18 A. I think he's an engineer.

19 Q. Okay. What do you think of him as an engineer?

20 A. Well, in the situation he was in, I think it

21 was -- first, he wasn't needed. I know politically he

22 might have been. Technically, he wasn't really needed,

23 and he did his best, I think, to try to solve the

24 problem, but I don't think he had the skills to do that.

25 Q. Okay. Why?

1 A. He was an engineer, but not a scientist. What
2 we needed was a problem solver, somebody to figure out
3 what the hell was wrong with all this system. And his
4 approach was not to start with where we were or what we
5 knew already. It was just try a whole lot of things,
6 and that wasn't the answer. We knew a lot more than
7 what he thought we knew.

8 Q. Is it fair to say that you were terminated
9 before you were able to fix all the problems?

10 A. Well, a forming unit fixed one of the major
11 problems. The rotary valve fixed the second problem.
12 There was one left, which I did not have a handle on,
13 but it was on the list to do.

14 Q. And that was?

15 A. The fixing of the extruder mixing.

16 Q. Okay.

17 MR. TREMBLAY: We're going to break.

18 (The deposition was concluded at 4:50
19 p.m. and continued to November 21, 2005
20 at 9:30 a.m.)
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1 I, WADE BROWN, hereby declare, under penalty
2 of perjury, under the laws of the State of California,
3 that the foregoing is true and correct.

4 Executed on this 26th day of
5 December, 2005.

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11 Waide Brown
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1 REPORTER'S CERTIFICATE

2
3
4 I, AMORITA LEDESMA, CSR No. 12852,
5 Certified Shorthand Reporter, certify:

6 That the foregoing proceedings were taken
7 before me at the time and place therein set forth, at
8 which time the witness was put under oath by me;

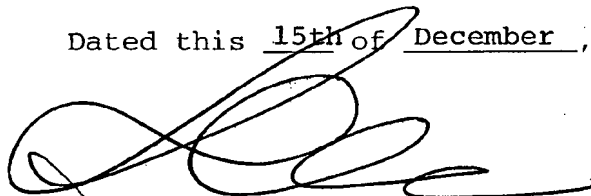
9 That the testimony of the witness and all
10 objections made at the time of the examination were
11 recorded stenographically by me and were thereafter
12 transcribed;

13 That the foregoing is a true and correct
14 transcript of my shorthand notes so taken.

15 I further certify that I am not a relative or
16 employee of any attorney or of any of the parties, nor
17 financially interested in the action.

18 I declare under penalty of perjury under the
19 laws of the State of California that the foregoing is
20 true and correct.

21
22 Dated this 15th of December, 2005.

23
24 

25 Amorita Ledesma, CSR NO. 12852

Deposition of: Wade Brown
Date of Deposition: Nov 18, 2005
In the matter of: Century-Board & Century Products
[Volume II, Corrected Dec 26, 2005]

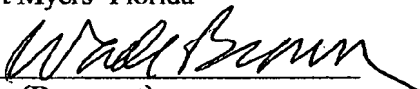
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287	9	Apoxy to epoxy	misspelled
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303	9	Can to can't	Recorder misunderstood
309	4	Curry to Kouri	Spelling
311	11	patented to unpatented	Spelling
311	12	Patented to parent; patent to patented	Spelling
317	13	That's not correct	I later found that I misunderstood the question
331	16	Theorization to application; my to using	misspoken
341	5	Know to known	Spelling
353	2	... decided on, selected, (add commas)	Punctuation
372	15	No to Yes	I already had answer this as 'Yes' earlier. I misheard the question (and I was wearing out)
378	18	... isn't only paint. (add only)	I was speaking too fast - not accurately
385	12	become to are	Misspoke
385	15	'plasticides' to 'or plasticizers'	Spelling
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397	23	Probably to yes	I remember now that we did do scratching tests, and wrote reports about the results.
398	25	'performing well (add) during most of the time while...'	I misspoke (tired)
399	22	(add) The extruder finally did work, but there are several reason we had trouble with the extruder	I misspoke (tired)
403	7	(add) Most if it was (nowhere near)	Again I was tired and getting sloppy in my words

405	10	Remove 'almost'	Tired & sloppy wording
405	11	(add) 'Mostly' still	Tired & sloppy wording
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421	15	(add) The demonstration of (the fixing of the extruder mixing), (add) using the mold boxes we had shown that the extruder mixing was fixed, which was the reason Ameren approved the buying of the 2 nd forming unit, but we hadn't shown the good mixing on the new 2 nd forming unit yet.	Tired & sloppy wording

I, the undersigned, declare under penalty of perjury, that I have read the above-referenced deposition transcript and have made any corrections, additions or deletions that I was desirous of making; that the transcript contains my true and correct testimony.

EXECUTED this 26th day of December
2005,
at Fort Myers Florida


(Deponent)

Law Offices of

JULANDER, BROWN & BOLLARD

Jamboree Center
Two Park Plaza, Suite 450
Irvine, CA 92614
Telephone: (949) 477-2100
Facsimile: (949) 477-6355

Of Counsel:
Arlin P. Nesor, Esq.

FILE NUMBER:
CEN01-03

January 3, 2006

Sent Via Facsimile to 858/535-0763
With Confirmation by U.S. Mail

Robert Robinson, Esq.
4330 La Jolla Village Drive
Suite 330
San Diego, CA 92122

Re: Century-Board USA, LLC adv. Century Products, LLC
JAMS, Ref. No. 1220033832

Dear Mr. Robinson:

Enclosed is a copy of Wade Brown's errata sheet setting forth the corrections to the transcript of his depositions taken on November 18, 2005 and November 21, 2005 in the above-referenced matter. The errata sheets contain Mr. Brown's executed declaration. If you have any questions regarding the above or the enclosed, please feel free to contact our office.

Very truly yours,



Catherine A. Close
JULANDER, BROWN & BOLLARD

CAC
Enclosures
cc: Century-Board USA, LLC

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JAMS

CENTURY PRODUCTS, LLC, a
California limited liability
company,

CLAIMANT,

vs.

CENTURY-BOARD USA, LLC, a New York
limited liability company; ECOMAT
NEVADA, INC., a Nevada corporation;
and WADE BROWN, an individual,

RESPONDENTS.

CENTURY-BOARD USA, LLC, a
New York limited liability
company,

Counter-Claimant,

vs.

CENTURY PRODUCTS, LLC, a California
limited liability company;
JOHN TAYLOR, an
individual; and Fyodor Shutov,
PhD., an individual,

Counter-Respondents.

CONFIDENTIAL

DEPOSITION OF WADE BROWN, VOLUME III

SAN DIEGO, CALIFORNIA

NOVEMBER 21, 2005

ATKINSON-BAKER, INC. COURT REPORTERS
(800) 288-3376 www.depo.com
REPORTED BY: AMORITA A. LEDESMA, CSR NO. 12852
FILE NO.: 9F09CFA

Reference No.: 1220033832
VOLUME III

ORIGINAL

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Deposition of: Wade Brown
Date of Deposition: Nov 18, 2005
In the matter of: Century-Board & Century Products
[Volume II, Corrected Dec 26, 2005]

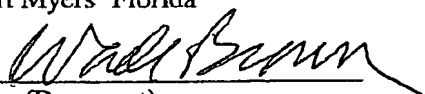
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I, the undersigned, declare under penalty of perjury, that I have read the above-referenced deposition transcript and have made any corrections, additions or deletions that I was desirous of making; that the transcript contains my true and correct testimony.

EXECUTED this 26th day of December
2005,
at Fort Myers Florida


(Deponent)

I, WADE BROWN, hereby declare, under penalty
of perjury, under the laws of the State of California,
that the foregoing is true and correct.

Executed on this 27th day of

December, 2005.

Wade Brown
WADE BROWN

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JAMS

CENTURY PRODUCTS, LLC, a
California limited liability
company,

CLAIMANT.

vs.

CENTURY-BOARD USA, LLC, a New York
limited liability company; ECOMAT.
NEVADA, INC., a Nevada corporation;
and WADE BROWN, an individual,

RESPONDENTS,

CENTURY-BOARD USA, LLC, a
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Counter-Claimant,

vs.

CENTURY PRODUCTS, LLC, a California
limited liability company;
JOHN TAYLOR, an
individual; and Fyodor Shutov,
PhD., an individual,

Counter-Respondents.

ORIGINAL

Reference No.: 1220033832
VOLUME III

SPECIAL

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CONFIDENTIAL

* SPECIAL CONFIDENTIAL *

DEPOSITION OF WADE BROWN, VOLUME III

SAN DIEGO, CALIFORNIA

NOVEMBER 21, 2005

ATKINSON-BAKER, INC. COURT REPORTERS
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REPORTED BY: AMORITA A. LEDESMA, CSR NO. 12852

FILE NO.: 9F09CFA

Deposition of: Wade Brown
Date of Deposition: Nov 21, 2005
In the matter of: Century-Board & Century Products
[Volume III, Corrected Dec 27, 2005] Sealed Part

The following are the corrections which I have made to my transcript:

PAGE #	LINE #	CORRECTION	REASON FOR CORRECTION
		No corrections	

I, the undersigned, declare under penalty of perjury, that I have read the above-referenced deposition transcript and have made any corrections, additions or deletions that I was desirous of making; that the transcript contains my true and correct testimony.

EXECUTED this 27th day of December
2005,
at Fort Myers Florida


(Deponent)

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JAMS

CENTURY PRODUCTS, LLC, a
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PhD., an individual,)

Counter-Respondents.)

ORIGINAL

Reference No.: 1220033832
VOLUME II

CONFIDENTIAL

C O N F I D E N T I A L

DEPOSITION OF WADE BROWN, VOLUME II

SAN DIEGO, CALIFORNIA

NOVEMBER 18, 2005

ATKINSON-BAKER, INC. COURT REPORTERS
(800) 288-3376 www.depo.com FILE NO.: 9F0996D

REPORTED BY: AMORITA A. LEDESMA, CSR NO. 12852

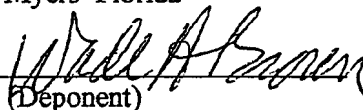
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460	6	Supplies to supplied us	misheard
463	24	Coperion's to Leistritz's	misspoke
465	4	Coperion to Leistritz	
468	19	Glomerated to agglomerated	spelling
484	17	Are to is	
508	12	Tisdale to Teasdale	spelling
511	2	Tisdale to Teasdale	
511	21	Tisdale to Teasdale	
541	21	bounce to balance	
565	5	Coperion to Leistritz	
566	10,12,14	Berstore to Berstorff	
566	15	Remove 'what'	
570	21	Add: 'The drawings on pages 2132 through 2140 are from the 2 nd Zack Taylor apparatus provisional patent application.'	

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of perjury, under the laws of the State of California,
that the foregoing is true and correct.

Executed on this 26th day of
December, 2005.

Wade Brown
WADE BROWN